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SPD DISARMAMENT EXPERT DISCUSSES ARMS MODERNIZATION

Frankfurt/Main FRANKFURTER RUNDSCHAU in German 7 Sep 79 p 14

[Article by Alfons Pawelczyk, SPD disarmament expert: "Neither Can Achieve Military Victory Over the Other"]

[Text] The SPD's disarmament expert, Alfons Pawelczyk, speaks on the question concerning modernization of NATO's tactical nuclear weapons.

The SPD's disarmament expert, Alfons Pawelczyk, emphatically supports the modernization of NATO's tactical nuclear weapons, which the federal government outlined in its most recent Defense White Paper. He also advocates decisions in favor of new medium-range weapons for Europe, which should be ready for introduction by 1983 if the Warsaw Pact is not ready for arms control measures by then. (Editor's note)

NATO and the Warsaw Pact must, in the coming years, make decisions concerning security policies of far-reaching importance. If one assumes that the SALT II Treaty concerning the limitation of strategic nuclear weapons will be ratified, the way is then open to include all nuclear weapons in the negotiation process. It is, however, also possible for an explosive Cold War phase to develop--with or without SALT II ratification. SALT II ratification and policy agreement concerning a subsequent cooperative advance toward taming the arms race are essential preconditions for continued stabilization of peace in Europe and the world.

The current discussion is clearly marked by complicated military and technical problems. We must, however, not permit the abundance of technical factors to block the ability to make political judgments, nor must we permit strategic questions to increasingly dominate political relations between East and West. External security is not only a question of military power, but all factors must be considered. Equality is thus not only the product of an approximate

balance of military means, but we must also take into consideration those resources which can be exploited economically, given the potential of the state of technological development, as well as domestic and socio-political stability.

Explosive Arms Race

Stability and a balance can in the long run be achieved only when imbalance is reduced in overall political relations. A politically controlled development toward greater balance which will go beyond the military realm will create the preconditions for a durable stabilization of peace. The ambition to maintain or create supposed superiority for one's own side achieves the opposite. In view of the military potential of both NATO and the Warsaw Pact, neither side is capable of satisfying its security through armament. Neither side can gain a military victory over the other.

Whoever, in spite of that, initiates or continues developments which have as their aim the achievement of qualitative military superiority will initiate an explosive arms race that will disrupt, at least for the 1980's, the successful foreign political developments which involved NATO and the Warsaw Pact in the 1970's. Both alliance systems have contributed to greater stability in Europe through their policies of the 1970's. Yet even now no place in the world has such a large concentration of military potential as does Central Europe. The political efforts must continue to be concentrated toward stabilizing the present state of security at a lower military level.

In analyzing all of the disputed points, there are basically only two fundamental questions which have to be decided.

1. Is equality--a military balance--to be accepted as an essential future basis for the relations between NATO and the Warsaw Pact?
2. Is the policy to be continued which, since the end of 1967, has been directed toward maintaining the peace through balanced efforts in the area of defense and relaxation of tensions?

There are influential forces in both East and West which consider their own superiority in the military realm to be essential security requirements and which accept the failure of the policy of relaxation of tensions as a proven fact. Depending on which forces will dominate, the people of Europe will live more securely and independently, or they will have to look forward to a development which will inevitably see the reappearance of war as an instrument of policy.

The acceptance of equality gives both sides the opportunity to realize their potential for future development through peaceful competition and cooperation. The FRG's Ostpolitik has, with full support of her European and American partners, aided the peaceful adjustment of interests between East and West, while recognizing the incompatibility of their ideological principles.

What is now necessary is to make the principle of equality between the Eastern and Western industrialized countries the basis for peaceful development, secured by treaties, while at the same time renouncing the realization of political goals with the means of military might. Such a policy of peaceful cooperation among the industrial nations of the Northern Hemisphere, will also make available the means and possibilities with which to reduce the economic and social disparity between North and South. In this way the goal of an economically reordered and more just world can be successfully achieved. This will be to the advantage of all people, regardless of their own social orientation.

Stability between East and West will in the long run depend on the mutual willingness to reduce imbalances in various policy areas.

We ought to announce our acceptance of this cooperation, even though the Soviet Union has made some decisions in the last few years which give cause for concern and which obligate us to maintain caution. For example, the Soviet Union must be asked why it has decided in favor of enormous improvements in the area of nuclear medium-range weapons, precisely at the moment when the United States was willing to accept strategic equality. Is the Soviet Union bent on gaining a military option vis-a-vis Western Europe, or was it rather the concern that equality would be agreed upon, but, in the final analysis, would not be accepted in fact because of counterpressures. These questions must now be cleared up.

The U.S. Government is proving through its SALT policies that it is prepared to further develop mutual relations on the basis of equality. Uncertainty is developing concerning the goals of the Soviet Union. It has, however, repeatedly announced its readiness to negotiate. Let us hold it to its word.

Policies concerning arms control and disarmament are certainly the most complicated aspect of our foreign policy. This policy requires great sensitivity and demands an endless amount of patience.

Approaching Equality

Approximate equality of the military forces is an essential precondition in all this because it protects against vulnerability to blackmail. Inferiority cannot be accepted, and this policy is to be pursued stubbornly. Part of this is the systematic improvement of arms control policy's planning and decisionmaking capacity, which presently only exists in its beginning stage, in comparison to the defense policy capacities.

Following the ratification of SALT II, NATO and the Warsaw Pact will be forced into decisions which will decisively influence the political developments of the 1980's. First of all, there will have to be a prudent action in the realm of medium-range weapons, which, however, must not neglect security requirements. Time is still favorable. Sober analyses presently still indicate that the overall power relationship between NATO and the

Warsaw Pact is stable. That means that there is an equality of possibilities and capabilities. In the foreseeable future there is no political objective in Europe which can be obtained through the direct employment of military force or through political pressure.

In view of global military stability, external security has not yet been endangered. The social-liberal coalition has contributed to this situation through considerable efforts in the field of defense policy. In the future too, we will conduct the defense part of our security policy in a serious manner. Despite all such efforts, however, the stability between NATO and the Warsaw Pact continues to depend on the strategic capacity of the United States. The United States is and will remain in a position to maintain a secure second-strike capability. It is still able to match the nuclear medium-range capacity of the Soviet Union with its own capacity.

However, in view of a constantly accelerating technological arms race, the strategy of deterrent no longer sufficient to check the danger of war in the long run. Both sides must employ courage and imagination in their search for means by which to eliminate the latent danger of war through a policy of cooperative arms control, which in turn will effectively supplement the policy of deterrent.

We are concerned about the extent of Soviet armament in the field of nuclear medium-range weapons. The federal chancellor has in person and publicly pointed to this danger as early as 1977. The fact that we have decided upon a long-range program for NATO, which we are presently carrying out, is a result of this evaluation. The claim that our security is no longer guaranteed in the 1980's is false, because it is based on an analysis which assumes that the Warsaw Pact is increasingly conducting an armament policy to which NATO does not react. Everyone who keeps in touch with politics can observe that NATO does react.

Following the ratification of SALT II, the United States and the Soviet Union will continue the negotiations and will include medium-range weapons. It must then be the task of both major powers to slow down nuclear capacity and further nuclear development in all categories. When arms inventories and development potential are compared, it will become apparent that the concerns and fears of both sides demand arrangements in which agreements can no longer be reached merely within certain comparable categories of weapons. To begin with, however, it is necessary to quickly find an arrangement concerning the development of medium-range weapons which most threaten the security of Europe.

Technological developments below the level of intercontinental strategic weapons have made the distinction between strategic weapons of an intercontinental and a continental range inapplicable--yes, even politically dangerous--for the negotiators. Security within the alliance is indivisible. It must not be measured on the basis of whether a weapons system has a range of more than 5,000 km or not. There must be no zones of differing security levels among the partner states. The current strategic power relationship is stable in its totality.

The ratio of warheads which can be targeted with delivery systems of an intercontinental and a continental range is uneven. The United States possesses a larger number of warheads for delivery systems of an intercontinental range; the Soviet Union maintains superiority in the continental range. It must be one of the goals of the impending negotiations to stabilize at a low level the power balance in the strategic sector. The numerical superiority in different partial sectors must be equalized overall.

It is the purpose of the consultations within NATO to develop, possibly by December 1979, a formula which has as its goal the dismantling of the imbalance through a combination of defense and arms control measures. In this matter, arms control arrangements must be given priority. The alliance, however, must not permit any doubts to arise that it will respond with defense measures in the event those efforts fail.

This is also important in order to refute speculation on the part of some Soviet leaders that NATO would be unable to present solidarity in the face of such problems.

Details concerning possible defense measures must not be included in the basic decisions which NATO now has to adopt. They must, however, be worked out promptly within the alliance, but must only be announced in the course of the negotiations, as required by the course of those negotiations.

The following course would be suitable for the execution of this policy: The states of the North Atlantic Alliance should support the development of new medium-range weapons and agree to the stationing of additional medium-range weapons, but with the reservation that the introduction of these medium-range weapons on the territory of the European member states will not be carried out if the arms control negotiations lead to a satisfactory result.

This decision by NATO must be combined with an arms control proposal to the Soviet Union which is designed to dismantly through successful negotiations the security instability in the realm of nuclear medium-range weapons. Whether the mass production of additional American medium-range weapons and their stationing on the territory of European alliance partners is necessary must be made contingent on the willingness of the Soviet Union to accept an arms control agreement which will do justice to the security interests of NATO. The politicians will be responsible to see to it that the production and placement will not be carried out automatically after the weapons have reached the production stage. The status of the negotiations must be reevaluated at the time these weapons are ready for production (ca 1983). The alliance must then decide on a political basis whether defense policy requires immediate measures, or whether the negotiations may be continued. In the event of appropriate concessions by the Soviet Union, the installation of additional medium-range weapons in Central Europe can be forgone. In that case the expenses which the United States will have accrued up to the point of production should be jointly assumed by the alliance.

This procedure would correspond to the significance and the long-range effect of such a decision. It would be an indication of the alliance's political strength. This procedure would also provide the proof that NATO is prepared to undertake every responsible effort for the prevention of a new nuclear arms race. A different procedure would hardly provide this proof. Another procedure could even have disadvantageous effects on the alliance's cohesion. The political cohesion of the alliance members, however, must given priority for security reasons. Aside from that, the FRG must not agree to any development which would make it the sole base for new medium-range weapons.

With the employment of this procedure, options with regard to weapons can for the first time become the object of negotiations. The arms race has increasingly shifted toward quality in the past few years. This development can be taken into account only inadequately through traditional means of arms limitation and reduction. For that reason it is necessary to stop the sequence that occurs both in the West and the East--military demands, development, testing, mass production and deployment with the armed forces--through a more intensive execution of political responsibility, preferably before the production phase has been reached. Cooperative arms regulation cannot simply deal with existing weapons systems, the attempt must also be made to include, at an early enough stage, arms options in the negotiations.

Technical necessities, such as budget planning and cost effectiveness, must not prejudice foreign policy decisions. Armament programs must be constructed flexibly enough so that they can be broken off when they have been made obsolete by arms control agreements. That may even mean that, on the basis of the negotiation's results, weapons systems which have already been developed are not produced and introduced into the armed forces. No one can in the long run assume the responsibility of increasing armament merely in order to be able to disarm. That means that we must be prepared to make financial sacrifices for the non-realization of weapons options. Priority must go not to financial saving first, but to the stabilization of peace through the prevention of constantly new weapons production and their subsequent introduction into the armed forces. For the foreseeable future that appears to be the only successful way to slow down the arms race.

Nuclear Deterrent

There is also an additional demand within the public discussion, namely even to give up new weapons options. This demand cannot be accepted from a defense policy point of view. The surrender of options is equal to a loss of development and research, and thus a loss of expert capability. To carry out such a step unilaterally may lead to an inferiority which cannot be made up within a decade and which would make the negatively affected party subject to blackmail.

The procedure described above does not affect the medium-range weapons already stationed in Europe. They are presently part of NATO's capability, which helps to guarantee the credibility of the nuclear deterrent.

Those who demand that NATO must in any event station additional medium-range weapons in Western Europe base their argument on the claim that the Soviet Union will be seriously prepared to negotiate only if we create an accomplished fact through new weapons prior to those negotiations. That is a claim without proof. For security reasons we must not shut out the possibility for weapons development.

It would, however, be irresponsible to commit ourselves irrevocably to the introduction of additional medium-range weapons without first having tested the Soviet Union's willingness to compromise. We must utilize the time available until production can begin (1983) to determine that. A premature decision might have overall policy consequences which would go far beyond the area of defense policy.

A second argument which is used for an immediate decision concerning additional medium-range weapons, without reference to the results of the negotiations, is that the present number of medium-range weapons stationed in Western Europe is too small to maintain the deterrent's credibility. That is to say, not enough of a capability is present in order to maintain the credibility of U.S. readiness to escalate in the strategic realm.

It is an open question as to how many warheads and how many modes of reaction are necessary to demonstrate credibility. The answer does not depend primarily on quantitative but on qualitative factors. The question really is: "Is the United States prepared to risk the step into a general nuclear war in the event of an attack on Western Europe?" Is her promise to her alliance partners to be accepted or not? There is no reason to doubt the U.S. guarantee of assistance.

The behavior of the United States toward Western Europe since World War II speaks in favor of this confidence. The Soviet Union can test U.S. credibility only through war. Will it risk destruction through a reckless policy? Certainly not. Historical experience shows the Soviet Union to be rather a power which shies away from risks.

Political Solution

We require a certain number of medium-range weapons for options within corresponding levels of escalation. The actual number depends in part on the Soviet Union's capability. How and whether the numerical ratio can be brought into a relationship which is favorable for defense policy through negotiations concerning medium-range weapons is an open question. For that reason it is presently impossible to decide whether we require a larger number.

The medium-range systems which NATO presently possesses must, however, be capable of combatting targets within the Soviet Union under conditions which have become more difficult. In the event their technical status has become inadequate, modernization must be carried out on the basis of the

existing number. No one has spoken out against that. If necessary, this must be done. The Soviet Union is also constantly modernizing.

The proposal to contribute to a political solution does not mean a unilateral renunciation of weapons modernization. We have nowhere expressed a renunciation of modernization, neither in the SALT nor in the MBFR negotiations, and we will not do so in the future. We will, however, work toward a mutual restraint in weapons modernization programs through arms control measures.

Nowhere in the world are as many soldiers and weapons housed in as small an area as on the territory of the FRG and the GDR combined. If we do not make every effort to slow down the arms race during a favorable period in terms of foreign policy, we will never succeed. For that reason we must stubbornly utilize all avenues of negotiation in order to attempt to lower the military level on the basis of a balanced security.

We, the FRG, have a special responsibility for this policy because of our difficult geographic and political situation. We have to assume an important function as stimulator. For that reason it is important not only to commit ourselves to the necessary defense efforts, but with equal intensity to the other side of the coin, the policy of relaxation.

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COMMUNIST PRESS VIEWS DEVELOPMENTS IN NUCLEAR DEFENSE

Paris FRANCE NOUVELLE in French 15-21 Sep 79 pp 22-23

[Article by Michel Charlot: "They Sing of Arms"]

[Text] It is a systematic campaign indeed. The entire information system has been set in motion. LE NOUVEL OBSERVATEUR has started a regular column in which General Buis and Alexandre Sanguinetti reply to General Buis and Alexandre Sanguinetti. LE POINT, not to be left behind, is devoting a whole issue to the affair. LE FIGARO has also discovered the imminence of the danger, and now since there is a report from the London ISS [Institute of Strategic Studies], which has not yet reached Paris, but of which the press agencies have published choice excerpts, the campaign can be dressed in apparently objective, wise, and therefore unassailable colors. There should also be something sensational, which in this case is the opportune discovery of the Soviet brigade in Cuba, which LE MONDE described in a disgraceful publicity page as if it were the first hours of World War III. Television reflects and amplifies it. In short, and to hide nothing from you, the strategic equilibrium has been seriously tipped in favor of USSR, for anywhere from several years to only a few months, in the domain of strategic nuclear arms according to some, or, according to others, in the domain of European range nuclear arms; this second imbalance being as grave, even if the first did not exist, for it would even be possible to attack Europe without the United States' attempting to take part.

To make myself completely understood: all aspects of European security are important to us, the French Communists; we give them a vigilant and continuous attention; we do not have a taste for East-West imbalances; we extol the negotiated limitations and reductions; we are, doubtless more than anyone, worried about this overaccumulation of armaments which is being pursued in spite of the efforts which we have made on the side of other forces and currents who wish for peace, both in our country and on the international plane. Delegating to no one the responsibility for our security, we studied the facts, all the facts, all the data; that from the London ISS as well as that from the Stockholm Institute, and those which are discussed in the Vienna, Geneva, and SALT negotiations. This was done with serious concern and critical examination, for the truth and not for the sensational.

Questions of Method

I must say as a protection against lawsuits, and we are making the necessary distinctions, it appears to me that those who are feeding this campaign against military equilibria are showing the same scruples of method. The most current line of action consists of isolating this or that factor. The Soviet superiority in number of rockets will be mentioned without saying that the Americans could, with a smaller number of rockets, dispose of a much higher number of nuclear warheads. Andre Fontaine makes this omission in his LE MONDE article "The Dissuasion in Question." The short and middle range nuclear arms are isolated from the so called "strategic" arsenal by the pretense of believing the former do not concern Europe. Then the fact that some French military objectives are "covered" by the Soviet SS-20 is presented to us as a recent break in equilibrium, as if previously and still now, our national territory as well as the rest of Western Europe were not "covered" by equally powerful rockets. The newspaper clipping which evidently produces the best effects, and that is in general, is to finesse the political facts of the situation and to publish the most improbable aggression scenarios. I would like to recall by the way that according to the United States defense secretary, the most unlikely conflict would be a massive nuclear exchange between USSR and the United States, and that a universal battle in Europe comes after that as the next least likely possibility.

Some authors, well enough acquainted with the record to know that the themes of the campaign are leading them to neglect certain elements, are taking a few precautions. Paul-Marie de la Gorce, who again takes up the SS-20 theme in LE FIGARO, indeed points out that if one takes into account the "American advanced systems" (it's a very small thing!), that is to say the elements of their European naval and air bases capable of reaching USSR with nuclear arms, the situation is no longer that which is described to us as balanced in favor of USSR. On my part I would add that all during the SALT negotiations the West was opposed to taking these advanced systems into account, and that SS-20 type armaments could well be the response to this partial imbalance.

Georges Suffert in LE POINT, feeling that he has not fully convinced his reader of the certainty of the Soviet break-through, compares the military budgets. Here's how: "The USSR military budget absorbs between 13 and 15 percent of the GNP (that is the lowest estimate)." It is really the highest possible estimate, calculated by CIA in the following manner: What it would cost the United States to equip itself with the Soviet forces! This method of calculation is refused by the Stockholm International Institute whose own numbers indicate that Soviet expenditures represent two-thirds of those of the United States.

The examples that we have taken have made evident a great intellectual dependence on CIA and the Pentagon. Their data are repeated without discrimination. They arrive by NATO channels, by general statements, or by American politicians; are faithfully reproduced in the documents of the London ISS, which it should be known, is very close in both its composition and its conclusions to the Western military environment. The result is that all this information on questions vital for our security and independence are under the domination of American policy and of its strategic goals as well as the hazards of its internal political life. The latest example is the entrance into the debate by Henry Kissinger, whose political ambitions are known and who came to Brussels to make rather shattering statements in contradiction to the analyses which he developed in his functions as secretary of state.

The real campaign in Europe and especially France is the debate over repercussions of arguments thrown around in the United States political battle. I think I have sufficiently established this point, and it is more in homage to Paul-Marie de la Gorce's lucidity than for need of a confirmation that I would recite these astonishing lines in LE FIGARO (6 September): "What is being witnessed today is the reversal of the European NATO countries. It results naturally from the European authorities and their public opinion 'being conditioned,' or, if you prefer, from their becoming aware of new facts. No one is unaware that London's ISS expresses American and particularly the Pentagon's prejudices. By insisting that there is an imbalance of nuclear strength in favor of USSR, it wanted to alarm opinion and justify the new NATO initiatives."

American Motives, French Motives

In the United States, we are at the height of the debate for or against SALT II at a year from the next presidential campaign. The temptation is great for Carter's rivals to secure the support of organizations, personalities, and economic interests tied to the armament industries and/or partisans of intentional military escalation. Carter himself, who was committed to reducing military expenditures by several billion dollars, has on the contrary, systematically increased them. At a time when he had renounced intercontinental mobile rocket testing for the future of the limitation negotiations, Carter complicated the SALT II agreement by insisting that he authorize the new MX missile, which will be mobile; this means that an important clause of the SALT II protocol will not be continued. Finally, careful to maintain the vitality of an alliance which assures them of a position superior to their allies, the United States has adopted the principle of an annual 3 percent increase in military budgets and a long term armament plan. These expenditures will not be taken for granted by public opinion. Now a critical situation has been reached: the installation of new nuclear arms in central Europe must be made acceptable. The strong reaction to the neutron bomb has made people ponder and the objective could not be reached without a "reversal" of this public opinion. That is being worked toward enthusiastically!

In France these impulses from America are articulated with specific content. The Soviet menace theme is constantly nourished there, be it only for internal political reasons. But above all at the present stage, what is being sought from various sides is to cast aside the idea and the tool of independent national defense. The French Government, which has refused beforehand to participate in SALT III, is preparing the way for collaboration with the United States and FRG for future modernization of nuclear armaments. Some Gaullist circles are rallying to this veritable denationalization of our defense by preaching sharing atomic weapons with FRG, and holding up the bright prospect, against all probability, of the promise of independence from the United States. Jean-Pierre Cot, for the Socialist Party, proposes participation in SALT III to give more credibility to an association with FRG and other European countries.

Thus all these convergences require a new effort on our part to make sure that the foundations of our security consist of the inseparable factors of an independent defense and the progress of detente and disarmament.

9374

CSO: 3100

PROBLEMS IN RETHINKING STRATEGIC NUCLEAR BALANCE

Paris LE MONDE in French 20 Sep 79 p 2

[Article by Christian Schmitt, director of studies at Paris-IX-Dauphine, vice president of the Polemics Institute: "Deterrent and Deterrents"]

[Text] The "deterrent in question"* is an ambiguous term, or at the least imprecise.

What kind of deterrent is it? Is it from a nuclear policy drawn up by a superpower like the United States to oppose another superpower of comparable weight and backing? Or is it rather a purely defensive strategy conceived by a medium military power like France trying to compensate for its inferiority in relation to a potential aggressor, presumably much stronger?

Just what is being challenged? Is it a simple revision of necessarily circumstantial individual usage policies (massive retaliation, graduated counterstroke, local or regional nuclear options), more radical criticism of the major countries' current policies, or condemnation of the hypotheses on which the logical reasoning is based for all nuclear deterrent?

It is important to know whether recent technological progress in nuclear armament is undermining deterrent from the strong to the strong (first category), from the weak to the strong (second category), or both at the same time. It is appropriate to wonder besides if these changes invalidate only some of the policies advanced, or undermine the theoretical foundations of all forms of nuclear deterrent.

To Compare the Comparable

Let's consider a single aspect of technological progress: the increased precision of the Soviet SS-17 type long range strategic missile shots. It is incontestable that this new fact is of a nature to obstruct the American graduated counterstroke policy. The classic distinction between

*Term used by A. Fontaine in LE MONDE, 5 September

strategic and tactical usage of the nuclear force no longer necessarily coincides with the amount of damage inflicted on the adversary (anticity strike, anti-enemy forces strike); and the scale and level of the counter-strokes, based on graduated attacks, may have to be constantly revised. The result is an increased probability of a worldwide nuclear conflict caused by some destabilization of the balance of fear. It's scarcely debatable that the risk is further increased by an inequality in the respective vulnerability of installations on American and Soviet soil, because of the geographical conditions of their implantations.

These arguments are not sufficient to challenge even the logic of deterrent between the two super-greats. The reasoning should take into account all the nuclear strategies (ground-air-sea). From the adversary's point of view, it's less the vulnerability than the credibility of the forces which is the key to the system; and the backing for deterrent never rests on evaluation in absolute terms, but on a complex relationship (sufficiency ratio). Thus one must not interpret today's American territorial vulnerability and the appearance of an imbalance between the United States and USSR as the first signs of inescapable obsolescence of all deterrent of the strong to the strong.

What is now the deterrent to the strong from the weak? What is true about the vulnerability of the American SSBS (ground to ground strategic ballistic) missiles is all the more true for our Albion plateau installations, in as much as we have not yet set up our mobile launchers. Here everything rests on the "risk-stake" couple so it is susceptible to being pierced by our adversary. Now, the cornerstone of this system rests at present in our SNLE's (nuclear submarine launcher engines), because in their role as back up strikers they are a threat that indirectly assures the protection of SSBS.

The fact that the MSBS (sea to ground strategic ballistic) missiles which equip our nuclear submarines are today only capable of massive reprisals does not at all weaken their credibility, for our nuclear policy is exclusively defensive. As for the risks of SNLE detection, it seems that they are not yet on the scientific order of the day.

It must not be concluded that French policy is secure from any revision at all. This is because in the first place progress in the precision of the shots is not the only significant strategic technological innovation, and it would also be necessary to examine the future appearance of new arms (laser, particle cannon, etc.). In the second place policies, which more usually follow rather than precede technological armament innovations, are also dependent, although in a smaller degree, upon the development of international economic and political relations.

True and False Problems

The true interrogation concerns less the French policy's adequacy for the present situation than its ability to respond to future possibilities. In effect, in nuclear matters, every decision concerning the defense system implies a time horizon of more than 10 years. Consequently it is on the future mode only that it is opportune to discuss the strength of French deterrent. Still, one must distinguish the possible, which does not exclude a priori any possibility, from the foreseeable not to say the probable, which is based on the trends from present observations.

From the first prospective three technological upsets would be capable of reducing the credibility of our nuclear deterrent strategy to zero: the discovery of nuclear submarine detection methods, perfection of the (ABM) antimissiles, and generalization of civil protection formulations. Concerning international relations, three situations could also absolutely annihilate the psychological credibility of our range of control: a ban on the first type anticity strike, the impossibility of the retaliation strike, and naturally, a ban on all use of nuclear arms. The result gathered from this double listing is that the imagined cases which would lead to the destruction of our national deterrent system, fortunately appear very improbable. Of the rest, it is observed that the majority among them would end by challenging not only our present policy, but also all possibility of nuclear deterrent of any type.

The picture is more unsettling when one considers the extent of influence which changes in international relations have on our policy's practicality. The clauses on nontransfer and nonsharing of technology, such as are anticipated by the provisions in the SALT II accord, even if they only touch our nuclear system in an indirect way, risk weakening its credibility, especially if, at the same time, our technological dependence in the area of navigational systems tends to increase. Still more damaging, even though strongly probable to be of a relatively short duration, would be a nuclear test ban which would considerably hinder our arms production in its present state of renovation. The consequences of the signing of nuclear non proliferation treaties on our supplies of fissionable material must also be kept in mind. Finally, the creation of a denuclearized zone in central Europe would lead to a territorial withdrawal, which would reduce by that amount our deterrent possibilities.

However near these dates are and whatever their probability of being changed under pressure, it seems assured for the future that the maintenance of our national deterrent policy, as it is presently defined, will encounter serious difficulties. Nevertheless, against the catastrophic hypotheses just examined, the tentative evolution of the international climate does not allow the conclusion that a radical revision is necessary to the core of our system, which remains the anticity deterrent. That is why, keeping in mind at the

same time the direction of new techniques (miniaturization, self-arming) and the dull-witted trends which are demonstrated in world diplomacy (SALT agreement process, negotiation of the non-proliferation treaties, etc.), the answer seems to lie in both a qualitative and a quantitative rearrangement of our ANT terrestrial component, and to integrate it in the most effective manner into the definition of our deterrent. This revision will have implications over the extent of the geographical space so protected, which leads directly to the burning issue of the search for a European deterrent formula without needing to consider the economic factors of the financial cost, which, nevertheless, are not negligible.

However, at this stage of the reasoning, it's important not to confuse the possible with the desirable. Even if many arguments seem to converge in favor of a European solution, put into concrete terms it meets well known objections on the national level, concerning the autonomy of the decision to use it, and on the international level, as you will recall the recent reaction of the German authorities. However, these objections raised in the name of short term realism, should not make unfruitful the efforts of imagination which require a clear vision of the long term.

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CSO: 3100

RECENT ELECTIONS BOOST CONFIDENCE OF NORDIC CONSERVATIVES

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 5 Oct 79 p 3

[Article by Werner Adam: "Harbingers of a Blue Revolution"]

[Text] Lately Scandinavia has been visited by unusual trends which are now moving through the region in the form of "winds blowing from the right." Whether in Finland, Norway or Sweden: They are everywhere considered harbingers of that which fluent ideologue Olof Palme quickly dubbed the "blue revolution." This still liveliest of northern Europe's social democrats thus alludes to the symbol of the Swedish Conservatives, the navy blue "M" which stands for Moderate Coalition Party. Not to arouse the impression that there is no defense against such gusts, Palme prefers to have all this interpreted as no more than a mere rightist apparition to be ascribed to a fashionable and therefore transitory weakness of Scandinavian voters for parties formerly treated rather like stepchildren.

This interpretation hardly holds water if compared to the result of the latest elections. It is hardly an accident that in all three countries the conservatives emerged in parliamentary and regional elections with such considerable increases in the vote that they turned out to be the strongest bourgeois parties in Finland and Sweden for the first time, in Norway for the second time. Even in Denmark where the political scene is different due to the greater proliferation of parties, the conservatives were able to nearly double their share of the votes, though for the time being the elections there were concerned with the European Parliament only. To consider all this a definite trend comes hard to the Nordic social democrats. That is exemplified by the criticism now growing in their own ranks. How most effectively to bar any further advance of the conservatives is still hotly disputed and has led to very dissimilar reflections in the party headquarters of the various countries.

In Finland, for example, Social Democratic party chairman Sorsa has now publicly raised the question whether an undue insistence on government regimentation and bureaucratization might possibly have caused the voters to consider the conservative alternative to the social democrat government. While the seers in Helsinki immediately speculated about a "Godesberg Program" which

Sorsa is alleged to be preparing in order to regenerate his party, the Norwegian social democrats are evidently less decided about their future line, despite the threatening rise of the conservative Høyre Party. If at all, they seem to see the way out in the conceptions of the Swedish fraternal party which, in Palme's words, sees its task to lie in emphasizing the struggle for the "democratization of the economy." Yet it is precisely this postulate which might send even more voters to the conservative camp.

True, the Scandinavian social democrats may claim to have achieved a full measure of welfare state work. Since, however, for some time past the economy has been doing less well than in the many years of steady progress, and this same welfare state has been calling on its citizens for increasingly painful tax sacrifices, its former chief architects have moved into the twilight zone. A growing section of the now much wider middle stratum no longer trusts the social democrats to look after its prosperity; no longer does it respond to the call for solidarity in the interest of the common weal: The comfortable status quo is preferred to the promise of paradise. At the same time those who live in one of the innumerable suburban beehives, anonymous and without much neighborly contacts, are unlikely to wish for greater uniformity. They also seem to listen more now to those politicians who preach individual freedom, opportunities for more personal initiative and a limit to government paternalism. The social democrats are made to feel this, and even the parties of the so-called center, which in any case are caught in an identity crisis.

That applies uniformly to Finland, Norway and Sweden, especially to the center parties with a rural-farming background. They are troubled primarily by the increasing urbanization of the voters. Adjustment to this state of affairs has made them environmentalist parties (especially in Sweden), but as a consequence they are even more estranged from their remaining farm vote. Lastly these difficult adjustment attempts have led to an involuntary rapprochement with the social democrats so that the center parties threaten to be gradually ground into the dust between them and the conservatives. The once feisty liberals in northern Europe are encountering similar difficulties. In Finland and Norway they are now hardly more than splinter groups, and the same fate might easily befall them sooner or later in Sweden. Does this mean polarization between social democrats and the so-called rightist parties? A growing trend to a two-party system? In Norway, at least, that seems to be just a matter of time. The situation is different in Finland, where the communists traditionally play a considerable role and the conservatives can therefore hope for further recruits from the center only. And in Sweden? The conservatives here just surmounted the 20 percent hurdle and thereby succeeded for the first time in becoming the counterpoise to the social democrats. In any case the Scandinavian party scenery is on the move: Not in a spectral manner but quite definitely--possibly even to the point of a blue revolution.

VU'S NEW CHAIRMAN ANCIAUX INTERVIEWED

Brussels LE SOIR in French 18 Sep 79 p 2

[Interview by Franz David with Vic Anciaux: "A Physician Succeeds an Attorney: Vic Anciaux, President of the VU (People's Union)"; date and place not given]

[Text] Exit Hugo Schiltz. And enter Vic Anciaux as the new president of the Volksunie (VU). Less brilliant than his predecessor--so he has said himself--but warmer, more inclined to teamwork. Smiling broadly, with his hand extended, he receives his visitors in the party's secretariat in Place des Barri-cades--a predestined name for a combative party to set itself up there, Hugo Schiltz observed on the occasion of the inauguration; and the place where Victor Hugo lived after Guernesey, Mr Anciaux remarks.

The same program for the party, he had declared after his election. But indisputably, a different style. A physician succeeds an attorney. An openness and frankness--sometimes tough but never brutal--take over from a certain Machiavellianism, although that too wore a smile.

[Question] Here you are as president and heir to a weighty legacy.

[Answer] A new responsibility does not necessarily change the man. Fortunately, for that matter. I am still the same--with an absorbing professional life, a large family, five sons and two daughters, the elder of whom, 22, is doing medical studies, while the youngest is 8. Little free time. If I had some, I would love to sing and do theater. Do you know that once upon a time I played the leading man in "L'Auberge du Cheval Blanc" [White Horse Inn]? That was a long time ago. Over the years, I have also sung a lot, in many places. I am received as a friend in many cafes in working-people's neighborhoods. I am called by my first name. There is nothing like such contacts for getting to know the people and their needs. This makes it possible to propose a policy at the human level and not as a theoretician.

As for the theater, I have always adored it. I was 9 years old when I trod the boards for the first time. I continued for a long time. I went on with it in my commune of Machelen while practicing general medicine at the same time. Our troupe went to the "Landjuweel," the competition that was created

under the patronage of King Albert and whose 1979 session will take place at the Fine Arts Palace within the framework of the Millenary celebrations. If I were a man of leisure, I would take up astronomy. It is a science that fascinates me. After all, I could again take part in all the student activities, as I used to at Louvain. Thinking back, I sometimes wonder whether it wasn't during my leisure time that I studied medicine.

And the dialog went on, by fits and starts, over the quiet circular Place dominated by Vesale, that great physician of the past.

Furthermore, I am very enthusiastic about travel (the president continues). Thus, I have already visited many countries--to see the monuments and the sites, of course, but mainly to see the life of the people, to understand how the civilizations have grown and how the communities big and small function.

This was also my concern in government, when I was in charge of social affairs in the capital. One can see it, the poverty-stricken in the working-people's neighborhoods, yet so close to the fashionable neighborhoods. There is so much to do. You cannot realize how powerless, in the face of certain situations, the minister in office can feel, even if he devotes himself wholeheartedly to his task.

Very few people understand the real situations as regards housing, health, employment for the least-favored. And they are more numerous than one would think in a country that despite everything is a very social one. I have learned also that uprooting is worth nothing, especially for the elderly, even if they are housed infinitely better outside their district of origin. This breaks the balance of a small but indispensable community. As secretary of state, I strove to do something. But the task is immense.

[Question] And can we talk a bit about general policy, since at present you are the president of the party?

[Answer] We were in the area of general policy, as I conceive things. I have opted for politics, and have done so in the VU, because I have faith in man and in the big and small communities that he forms. The Flemish are a true community, full of vitality, full of possibilities. My party wants to see it blossom within structures better-suited to its needs and less restricting than the unitary state in which we must nonetheless continue to live.

This fundamental option in favor of federalism is not conditioned solely by linguistic problems. There are a great many other aspects--budgetary, economic, social--that directly influence the citizen's life and well-being. And it is these things that are involved.

Our program throws light on these multiple aspects. But as I have already said, this rich and varied program is too little known, even by our militants. We are going to do our best to bring it up to date and make it better known. Since everything cannot be done at once, we are going to emphasize the points that seem to us most important and most urgent.

Now that the page has been turned, we are going to strive at the same time to reestablish the cohesion of the party, shaken by the unrest of Egmont, and to recreate harmony between the VU and the Flemish movement as a whole, which was compromised in the same affair.

One last remark: from the point of view of the community-minded person, one thing strikes me. So many politicians, on our side as well as in the French-speaking camp, seem to wear blinkers that prevent them from seeing what is happening around them. For the voter, in the same context, certain words are charged with an emotional content, such as the word "compromise." None of this makes things any easier.

But sufficient for the day is the evil thereof. I said this to myself unconcernedly during my vacation in the French departement of Drome, among the faithful of the archbishop of Avignon.

The vacation and the unconcern have ended. To work, mister president.

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CSO: 3100

ELECTORAL SUCCESS OF BREMEN 'GREEN' PARTY MAY AFFECT 1980 ELECTIONS

Losers Weigh Significance

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 9 Oct 79 p 1

[Report by "Rdh": "Greater Attention Is To Be Paid to the Greens--Bonn Parties' Reaction to Bremen Election--All Claim To Be Advocates of Environmental Protection"]

[Text] Bonn, 8 October--The result of the Bremen parliamentary elections has been received by the parties in Bonn with noticeable reservations. Evidently enormous food for thought has been provided among all three parties by the electoral success of the Greens--that is, the first instance of candidates moving into a Land parliament who are outside, and in contrast with, the spectrum of the established parties. Judging from the parties' utterances, it is intended to make the result the reason for addressing the affected part of the population even more purposefully than in the past. All three parties indicated that they planned to make it clear to the voter that they are the true environmental parties which long since have advocated measures for the protection of the environment, without their effort having been properly appreciated. The losers in the Bremen election, the CDU and FDP, displayed an effort to stress the atypical nature of the Bremen election and thus to deprive the election result of the semblance of an electoral test.

The most elaborate and unequivocal statement came from the SPD. Federal Executive Manager Bahr stressed above all that his party had managed "clearly to expand" its lead among the workers. The entry of the Greens, which was being taken "seriously" by the party, had taken place to an above-average extent at the expense of the SPD-FDP coalition. In this connection Bahr said it was "wrong" to describe the Green candidates in Bremen in a body as "left-wing," making the point that they belonged to highly disparate groups which rejected the established parties for varying reasons. The SPD would strengthen its work of enlightenment among these voters and would have to demonstrate with its politics that the "political home" of those particularly concerned with preserving natural living conditions was in the SPD. In Bahr's opinion, the Bremen election moreover represents a test for CDU/CSU candidate for chancellor Strauss, which proved negative.

In the CDU, whose presidium discussed the election result tonight, this possibility, however, was ruled out "for sure," with the CDU losses being traced to the situation in the Bremen CDU, whose Land chairman had resigned at the beginning of the election campaign because Strauss had been elected candidate for chancellor. As CDU Secretary General Geissler had already stated Sunday night, the CDU would take the Bremen result as a reason for devoting particular attention to the Greens and for emphasizing its work in behalf of environmentalism. The FDP, whose presidium dealt with the Bremen result this afternoon, emphasized that the election had shown that the FDP had a "solid double-digit electoral base" in Bremen. What was needed now was for the FDP to continue to conduct a reasonable environmentalist policy in order to make it clear that committed environmentalists had a political home in the FDP.

SPD To Continue To Rule Alone

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 9 Oct 79 p 12

[Report by Jhy.": "SPD Again Rules Alone in Bremen--No Green Parliamentary Fraction--CDU Deplores Initial Position"]

[Text] Bremen, 8 October--For the first time environmentalist groups, Green citizen's initiatives, are represented in a Land parliament of the Federal Republic--in Bremen. This success of the Greens and the fact that for the third time the Social Democrats under Hans Koschnik are governing alone with a bare majority are the most important results of Sunday's Bremen parliamentary election. The election was at the same time a Landtag election and an election of the "Bremen City Parliament," as well as an election of the Bremerhaven Municipal Assembly, whose composition remained unchanged.

Compared with the last parliamentary election in 1975, the SPD maintained its bare majority in the Landtag, while the CDU as well as the FDP lost votes and two seats each. In turn the Greens move into the Bremen parliament with four deputies.

During a suspenseful election night it sometimes looked as if the SPD could be forced into a coalition with the Free Democrats. The reason was a peculiarity of the Bremen electoral law. According to it, in Bremen, of the total of 100 Landtag deputies 80 deputies are elected in the city of Bremen and 20, from separate lists of candidates, in the port city of Bremerhaven. The 80 Bremen city Landtag deputies at the same time constitute the municipal parliament, whereas a separate municipal assembly was elected on separate voting slips in Bremerhaven. This peculiarity explains why Koschnik is president of the Bremen Senat (minister-president) of the Land of Bremen and also burgomaster of the City of Bremen. Bremerhaven has its own chief burgomaster.

During the counting of the votes in the night from Sunday to Monday, there was every indication at first that, while the SPD would maintain its absolute majority in the Landtag, it would lose it in the city parliament. Koschnik

said at the moment that in that case he would not be able to avoid a coalition with the FDP. He ruled out the Greens as far as a coalition was concerned. Suddenly a cry went through the Haus der Buergerschaft [Parliament Building], in which politicians and journalists were awaiting the election results: an absolute majority--by all of 266 votes--had also been secured in the municipal assembly.

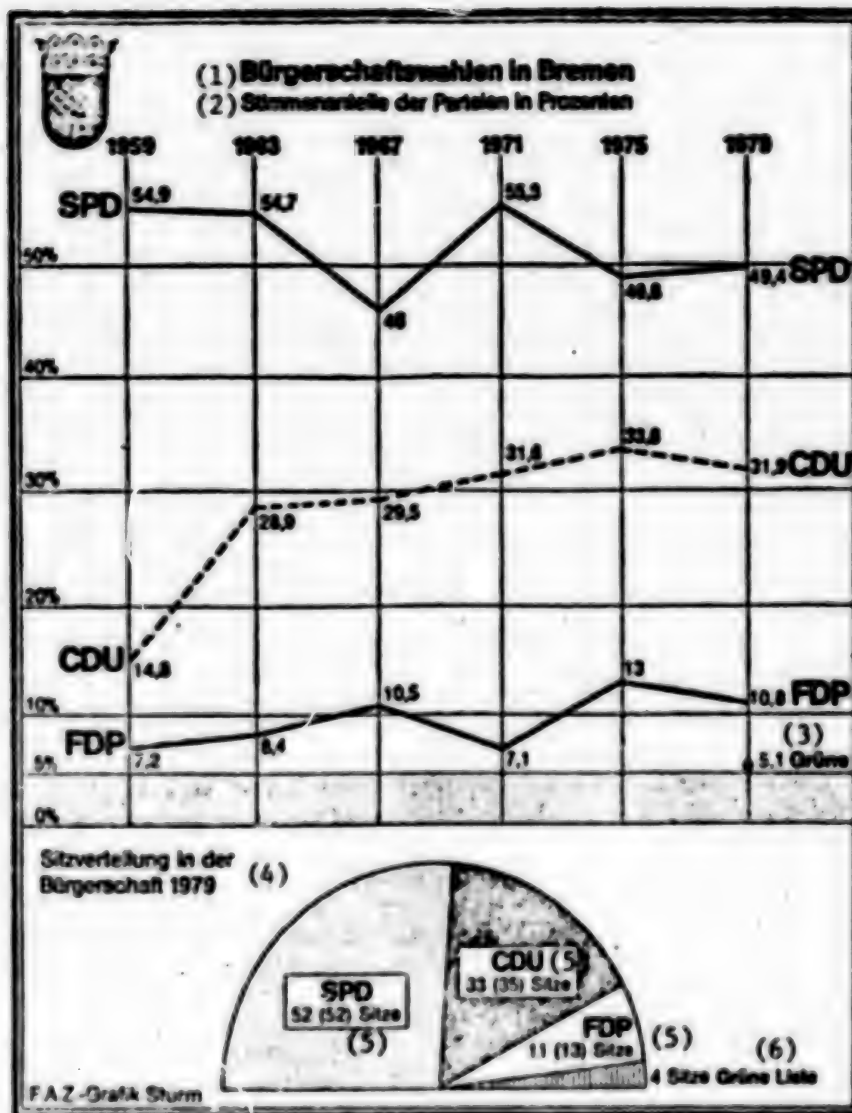
Thus the Free Democrats failed to reach their election aim of breaking the SPD's absolute majority. FDP Chairman Lahmann, who temporarily may already have seen himself as a senator, had trouble hiding his disappointment but said that, just as in the high jump, so also presumably in politics there was such a thing as "a third try to negotiate the bar."

The Christian Democrats, who--like the FDP--lost two seats, according to their top candidate, Neumann, trace their losses to the particularly unfavorable initial position following the events in the national party. Moreover Bremen traditionally was difficult going for the CDU, but the confrontations in the national party "cost votes" and had "an adverse effect on the result."

The first candidate of the Bremen Green List (the Greens avoid the term "top candidate" but speak of a team) is Peter Willers. Known as former chairman of the Federal Association of Environmental Citizen's Initiatives, Willers is an administrative employee at Bremen University. Commenting on the electoral success of his group, he said the voters had thus expressed their dissatisfaction with the three big parties. One of the decisive "engines" of the Greens is architect Olaf Dinne, of whom a great deal is expected as deputy. Together with 25 other SPD members in the Old City of Bremen, Dinne at the end of 1978 forestalled an expulsion from the party by quitting it.

Preliminary Official Final Result

Bremen	Landtag Election 7 October 1979	Landtag Election 28 Sept. 1975	Bundestag Election 3 October 1976
Entitled to vote	522 677	527 191	528 346
Voting	85.65%	82.19%	90.00%
Valid votes	409 168	430 491	472 988
SPD	201 116 (49.43%)	209 802 (48.75%)	255 544 (54.00%)
CDU	129 962 (31.94%)	145 306 (33.76%)	153 845 (32.50%)
FDP	43 723 (10.75%)	55 741 (12.95%)	55 903 (11.80%)
AL	5 515 (1.36%)	--	--
Greens	20 911 (5.14%)	--	--
DKP	3 331 (0.82%)	9 233 (2.15%)	3 593 (0.80%)
EAP	169 (0.04%)	--	--
KBW	533 (0.13%)	2 425 (0.56%)	1 647 (0.40%)
NPD	1 601 (0.39%)	4 781 (1.11%)	584 (0.10%)



Key:

1. Parliamentary Elections in Bremen
2. Party percentages of the vote
3. Greens
4. Distribution of seats in 1979 parliament
5. Seats
6. Green List

Analysis of Party Losses

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 9 Oct 79 p 2

[Article by Wolfgang Heyen: "A Bremen Kind of Protest--To Whom Do the 'Greens' in the Hanseatic City Owe Their Electoral Successes?"]

[Text] Bremen, 8 October--"We would rather have the Greens in parliament than the FDP in a coalition with the SPD. The Greens, we can get rid of again in 4 years; the Free Democrats, perhaps not." This is how a leading SPD politician on election night in Bremen commented on the shift in the balance of forces following the parliamentary election. The effect of the entry of the Greens into a Land parliament 1 year before the Bundestag elections may be rated high as a political signal, but as for practical Bremen politics there presumably will be little change. Nevertheless everyone wonders how such an election result could happen in a federal Land with apparently so deeply encrusted political structures.

As for their election result, the Social Democrats would have to "talk of stagnation at a comparatively low level," for they continue to be nowhere near such former record election results as those of 1971. On the other hand they evidently have retrieved many a voter who slipped away from them--to the FDP or even to the CDU--because of unpleasant previous affairs 4 years ago. The comparative stability of the SPD's share in the vote and its having regained an absolute majority, however, could also partly be due to the attitude of the Bremen Communists in that the vote for the DKP went down from 2.14 to 0.82 percent. Since the majority in the Bremen Municipal Assembly depended on a mere 266 votes, this shift of several thousand former Communist votes may have been decisive.

Nevertheless it is certain that the Social Democrats lost votes to the Greens, who at the first try received almost 21,000 votes--5.14 percent right off. Among older and so-called bourgeois voters, the realization apparently prevailed that nothing much would have changed in a government of Social Democrat Koschnik in many questions--such as school policy, "residential dispersion" in Bremen or encrustation in public administration--even if the Free Democrats had been dispatched into the government. Voters who took that view, in light of the chronic weakness of the Bremen CDU, could not expect a change from that party either, for an increase in votes that could have brought this about was considered out of the question. Consequently, they "protested" by voting "green." The fact that more people voted than 4 years ago can only serve to confirm this theory: not abstention from voting but only a demonstration in favor of the Greens was able truly to give shape to the protest.

Despite its slight losses in votes, the Bremen CDU staged a good fight. Its top candidate, Bernd Neumann, was able to point out that the population was still remembering the leadership crisis in the CDU and CSU. Thus no premature conclusions should be drawn from the fact that the slow constant rise in the

CDU share of the vote had been stopped for the first time in many years, the CDU figuring that it was merely an interruption of the upward trend. The question remains, however, whether Neumann will once more be the top candidate 4 years hence; he might run for the Bundestag next year.

Bremen FDP Chairman Lahmann is described—a little prematurely—as the loser in the Bremen election. This overlooks the fact that the decrease in the share of the vote from almost 13 percent to 10.7 percent only restores the Free Democrats' position of the time before 1971. Until then the FDP had governed with the SPD in the Senat for 25 years. The 14 [sic] percent of 1975 included a sizable number of "protest voters" who had turned away from the SPD or CDU. Difficult to prove, but just as difficult to disprove, is the theory that, as is being maintained by some, the Bremen Free Democrats are "no longer the liberals they were 8 years ago," with pronounced business-industrial accents. The resolve of Lahmann's in no circumstances to enter into an alliance with the CDU, despite the fact that there are virtually no policy differences, confirmed another theory for quite a number of voters—namely, that "a vote for the FDP in the last analysis is a vote for the SPD." One also needs to keep in mind the relative strengths of the party organizations, where 600 registered FDP members confront the SPD party apparatus.

The Greens finally are sure to owe their success to a great part of the young people. From the individual city results it is apparent that sons and daughters of Hanseatic "bourgeois" voted for Karl Willers and SPD rebel Olaf Dinne. It is also apparent, however, that the SPD had to pay for turning a green avenue along the Buergerpark [Citizen's Park] into an autobahn access road—in a part of the town in which previously mistakes like those committed in the Westend in Frankfurt had largely been avoided. Koschnik and the SPD also had to pay for supporting the expansion of a large automobile plant in order to create jobs, exposing the people living in the neighborhood to disadvantages. At this point, which is being discussed violently in Bremen, a sober assessment of the Greens' election success must set in: their theory of an end to growth would instantly finish the Bremen economy—the same as their uncompromising rejection of nuclear energy.

Green Gains May Be Temporary

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 9 Oct 79 p 1

[Editorial article by "Fk": "Unbroken Line"]

[Text] If you take the election results of the three big parties in Bremen, you can easily fit the election result into the chain of the seven Landtag elections which have taken place since mid-1978. The fact that the Greens jumped the 5-percent hurdle in Bremen is a sensation which was made much of on the very night of the election but one of rather modest proportions. It should be recalled that at one time (in 1967) the NPD also managed immediately to obtain 36,000 votes of 8.8 percent of the total in Bremen, whereas today it gets the vote of only 1,600 undaunted supporters. Certain electoral

groups time and again enjoy the benefit of such protest gestures, and every time the "established parties" are told that they have neglected vital interests of important groups. In fact, things are not half as bad.

As for the two big parties, a trend is being confirmed toward a small but identical change that could already be observed in Hamburg, Hesse, Bavaria, Rhineland-Palatinate and Schleswig-Holstein. There too the CDU lost 1 to 3 percent, while the SPD managed to gain up to 4 percent (more than 6 percent in Hamburg). As far as this long-term trend is concerned, it evidently makes little difference in what condition the CDU/CSU happens to be, whether it is led by Kohl or Strauss, or whether the top man in a Landtag election is called Dregger, Vogel or Stoltenberg. Certainly it is normally a question of only marginal shifts, but the decisive thing is that they are in the same direction. Strauss' candidature for chancellor, however, at the very end probably was able to change this somewhat in Bremen.

While the Free Democrats are no longer being treated by the Landtag voters with such disdain as in Hamburg or Lower Saxony last year, when they were deprived of representation, this party, making a rather strained and weary impression, sometimes at most has received a small stimulus (Bavaria, Rhineland Palatinate), but generally the voter has cut off some more of the little it still possesses. The protest potential playing a role at the time concerned is made up to quite a large extent of middle class strata, and if the basic political pattern of the protest in fashion is rather on the side of "progress," the FDP suffers appreciably. This confirms an old evil which the FDP from time to time has attempted to obviate by increased progressiveness: no one has as many voters switching from one party to another as the small among the three major parties.

8790

CSO: 3103

PRESS REPORTS ON NEW DEFENSE WHITE PAPER

More Arms for Bundeswehr

Hamburg DER SPIEGEL in German 27 Aug 79 pp 36, 38

[Text] In the new, not yet published defense white paper, the FRG Government announces extensive arms build-ups, which include nuclear weapons.

For months, experts from the Ministry of Defense and Foreign Affairs Ministry have been discussing how threatening Soviet armament actually is for the FRG. The leaders then personally interceded with a final warning to Moscow.

"Superior economic power and the capability for technological innovations," formulated the chancellor and the ministers of defense and foreign affairs in the Federal Security Council in June, "give the countries in the alliance the possibility of keeping pace with the arms expansion in the Warsaw Pact."

Helmut Schmidt, Hans Dietrich Genscher and Hans Apel also assured: "The alliance will make use of this capability if the armament policy of the Warsaw Pact should, for a considerable time, jeopardize the balance of power--the critical prerequisite to our security."

The appeal by the three, still marked "Confidential Classified Information--For Official Use Only," is contained in the new defense white paper which Hans Apel will make public on 4 September.

One year before the beginning of the election campaign, the social-liberal coalition would like to make clear once again that it, now as in the past, is striving for an understanding with the East, but, at the same time, it is increasing military security and spending more than DM 40 billion for new weapons.

The fact that the "arms build-up"—despite the still outstanding NATO decision—includes nuclear weapons can be seen in several places in the new white paper: The threat to Western Europe by Soviet SS-20 mid-range missiles and "Backfire" bombers could only be diminished by "a combination of defense policy decisions and arms-control policy measures."

In order to make the controversial problem comprehensible to the public, the Hardthoehe authors of the white paper, under the direction of planning chief and Apel confidant Walter Stuetzle, had a chart prepared in which official statistics concerning the mid-range weapons deployed in Europe are given for the first time.

According to the chart, the Soviet Union has at its disposal, more than 1,370 missile-launching devices, submarines and aircraft capable of delivering nuclear warheads a distance of more than 1,000 kilometers. On the other hand, NATO, France included, presently has only 386 nuclear weapons carriers capable of this distance.

According to the view of the FRG Government, the West must therefore attempt its negotiations with the Soviet Union to achieve a "total nuclear balance between East and West. Verbatim: "The goal of such negotiations must be, on the one hand, to give NATO the number of nuclear deterrents required by its strategy, and, on the other hand, to reduce the threatening mid-range disparity by decreasing the nuclear armament of the Soviet Union to an acceptable size."

Nevertheless, the sixth Bonn defense white paper—the last one appeared in January 1976 under Defense Minister Georg Leber—contradicts the idea that Moscow has the capability to launch a surprise attack and could, as Belgian General Robert Close asserted, have its tanks at the Rhine within 48 hours. The massing of troops by the Warsaw Pact, which would be necessary for a blitzkrieg, could not and will not—so goes the argument—"remain concealed from NATO with the current state of intelligence." Moreover, the Western alliance has sufficient divisions and tanks stationed in Central Europe to be able to fight in the border areas until European reserves were mobilized. The German army alone could, in a crisis, be augmented from 340,000 to more than a million men in just a few days.

According to the view of the authors of the white paper, reinforcements from the United States, could be brought to Europe "even before the beginning of a military conflict" if proper use is made of the warning time. Furthermore, in order to keep the risk incalculable by the attacker, NATO would not "rule out the use of nuclear weapons."

With almost magic incantations, the white paper attempts to dispel any doubt concerning the readiness of the Americans to risk a large-scale nuclear war and thus the destruction of their own country through the use of small-scale nuclear weapons in a European conflict. It states that Europeans and North Americans live in "awareness of their mutual heritage." And, the Americans could not afford to lose Europe since, if they did, their position of world power would be jeopardized.

The comparison of forces is more realistic than in previous years. First of all, not only tanks and aircraft are counted; defensive weapons are also evaluated. The result: 58 divisions with 19,000 tanks are currently based on GDR, CSSR and Polish territory. To be sure, NATO has only 29 divisions with 6,500 tanks present and at its disposal, but in case of emergency, it can count on hasty reinforcements from abroad as well as 15 French divisions with 1,000 tanks.

The new antitank weapons in the West place the tank superiority of the East in a considerably different light. The German army alone currently maintains 2,500 "Milan," 350 "Tow" and 500 "Hot" launching devices. Their missiles can be fired by individual soldiers, combat tanks and defensive helicopters. Accuracy percentage is given as 90 percent.

Beginning in the fall, the Bundeswehr will also take delivery of the first of the 1,800 new Leopard-2 tanks which have been ordered, and which, according to the white paper, are equivalent to the newest T-72 Soviet model. In the mid-1980's, the Bundeswehr will have a total of 4,887 combat tanks and 575 antiaircraft tanks in its arsenal.

Since the air force and navy are also being outfitted with new weapons (324 multipurpose "Tornado bombers, 175 "Alpha-Jet" ground combat airplanes, 6 F-122 frigates and 10 missile patrol boats), the white paper concludes that: "Under these defense conditions, it is only with considerable risk that the Warsaw Pact can embark upon an attack with the forces immediately at its disposition."

The white paper attempts to prove statistically that the Bundeswehr is, meanwhile, the "best army in Prussian-German history." The number of military infractions such as desertion, insubordination and violent crimes decreased from 113,269 in 1975 to 65,034 last year.

However, in his assessment the defense minister considers the growing dissatisfaction among officers and noncommissioned officers to be dangerous. The number of overage persons in the top positions is lessening the chances for promotion of the younger officers and is leading to a "competitive attitude which is directed totally toward one's own career." The feeling of camaraderie, the dynamism and the willingness to accept responsibility are all being lost in the promotion bottleneck—a problem for which Apel admits he has not yet found a solution.

In addition, the defense minister does not know how he will reduce the excessive number of duty hours--more than one-quarter of the 495,000 soldiers must work 60 or more hours per week. Nevertheless, he foresees financial compensation of DM90 per month for career and enlisted soldiers and DM54 for draftees.

At the beginning of the year, the government leader himself had to learn how widespread the dissatisfaction has, in the meantime, become. In a discussion with noncommissioned officers in the chancellery, Helmut Schmidt attempted to parry the complaints about the additional burdens of the soldiers in his usual forceful style: "Shall I calculate my overtime hours for you?"

Loud protests were the answer. Amid the applause of his comrades, a chief petty officer called out: "Mr Chancellor, your pay grade, please!"

A chief petty officer earns a maximum of DM2670 per month; the chancellor earns DM18,368.

View of USSR Threat

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 30 Aug 79 p 10

[Text] The new white paper on security in the FRG and the condition of the Bundeswehr is still being printed. It will be made public by Defense Minister Apel on Tuesday of next week. The principal part of the white paper is the chapter concerning the military balance of forces between NATO and the Warsaw Pact. In it, the government reports on the military situation with a total picture which has never before been presented in an official document. It is divided into a comparison of intercontinental strategic nuclear weapons, continental strategic nuclear weapons with a range of more than 1,000 kilometers tactical theater nuclear weapons with a range of less than 1,000 kilometers and conventional forces in Europe and the naval forces of both alliances.

The statistics concerning the mid-range weapons in Europe are especially important. The Soviet Union is far superior to NATO in this area. It has 600 mid-range missile systems at its disposal. Of these, 100 are movable SS-20 launch platforms which are kept ready at all times for several missiles. Each SS-20 missile has three warheads, which, independent of one another, can be directed toward three separate targets. Its accuracy is high up to a distance of 5,000 kilometers. To these are added 500 mid-range bombers, 150 heavy fighter-bombers as well as 20 missile submarines which are stationed in the Baltic Sea--a total of 1,270 mid-range nuclear weapons systems.

On the other hand, in comparable mid-range nuclear weapons in Europe, NATO has only 150 American F-111 fighter-bombers along with the airplanes capable of delivering nuclear weapons which could be launched from the aircraft carriers of the Sixth Fleet. Still to be taken into account are the 64 Polaris missiles of the four British nuclear submarines and 50 British "Vulcan" bombers which, however, are so old that they hardly stand a chance of reaching their targets.

These weapons are under national control just as the French atomic bombs are: 64 nuclear missiles on the four French nuclear submarines; 18 land-based mid-range missiles as well as 40 Mirage IV nuclear weapons carriers. How this potential is to be assessed both quantitatively and qualitatively one can conclude from the comment in the white paper that the Soviet mid-range capability is a strategic threat to NATO in Europe which cannot be countered by anything comparable on the Western side.

The balance of forces in tactical nuclear weapons (also called theater weapons) is characterized as "still" balanced on the whole. Nevertheless, the white paper concedes that, even in nuclear missiles for distances of less than 1,000 kilometers, Moscow is still superior with a relationship of 1,000 to 300. The advantages which the West still possesses in the area of "nuclear-capable tube-launched artillery" are on the decline.

The statistics given in the white paper with regard to the juxtaposition of intercontinental nuclear weapons are not important. They are contained in the SALT II treaty and thus known. It is more striking that the problems for America, which already exist or can be observed, are only implied at most and not included in the evaluation of nuclear potential. American concerns about the threatened loss of second strike capability remain only marginal considerations. Not mentioned is the fact that Moscow's ability to destroy American missile silos could interrupt the continuum of deterrents which is essential for the balance of power.

The inferiority of the West in mid-range nuclear weapons, which is openly admitted and substantiated by precise figures, does not lead--if one follows the argument of the white paper--to "directly military dangers" because the nuclear forces in Europe are coupled with the "central strategic nuclear forces" of America. In another place it states that the superiority of the Warsaw Pact in mid-range potential could be offset only by "recourse to the entire spectrum of nuclear deterrents."

The manner in which the conventional balance of forces is presented is also very illuminating: 58 divisions with 19,000 tanks are stationed in the GDR, Czechoslovakia and Poland. An additional 10 divisions with 2,700 tanks are in Hungary. It is said that they have a "high readiness state" of between 75 and 100 percent of their unit strengths. One reads that another 33 divisions with 8,500 combat tanks could be in the West

"within days." A Soviet attack could therefore be carried out in Central Europe alone within a few days by 101 divisions and 30,200 combat tanks--the number of artillery, which has increased greatly in recent years, is not mentioned for reasons of security.

NATO would have to stop the attack with 20 existing NATO divisions with 6,500 combat tanks if the frontal defense functions. Its mission would be to carry out the "frontal defense until European reserves and reinforcements from outside Europe, above all from North America, could arrive." The time required for reinforcements to arrive from across the Atlantic has been decreased by one-third from the previously estimated time through recourse to commercial sea and air transportation facilities. How much time would be needed and how large the number of actual combat divisions which could be accommodated remains unspecified.

In this instance, the references in the white paper to the situation in the Norwegian Sea and in the North Atlantic are particularly striking. It says that the Warsaw Pact is attempting to acquire hegemony over the sea there. In no place can one find the assessment that the Warsaw Pact is incapable of achieving it. Rather, the determination that the "defense against the submarine threat remains problematical" allows the fear to rise that reinforcements from America, to a considerable degree, will not land where they should. In addition, the reference to the 15 divisions and 1,000 tanks which the French army maintains provides no more assurance.

Noteworthy is not only the extent of the most depressing details of the East-West balance of power. The omissions are also striking. For example, the chapter concerning the military balance of forces contains no conclusive determination of whether the FRG Government considers the Western system of alliances strong enough to be able to respond to all eventualities in the manner in which FRG security needs require. The dangers which might result from the worldwide presence of the Soviet Navy also remain unmentioned. Consideration of naval matters is limited in the white paper to the Baltic Sea, North Sea and North Atlantic--the sea routes over which raw materials are imported into the FRG. The question of how they could be made secure remains as unmentioned as the fact that a threat exists in this area.

After reading the white paper, the pressing question is whether the NATO member nations are still capable of discerning the extent of the threat to themselves. In the recent years, that have been accompanied by arms control talks and agreements, dramatic changes have resulted, to the detriment of the West. Is NATO ready to suffer the inevitable consequences?

9241
CSO: 3103

DANGERS OF RISING NATIONAL DEBT POINTED OUT

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 17 Sep 79 p 1

[Article by Walter Kannengiesser: "The Time Bomb in Matthoefer's Budget"]

[Text] As controversial as the debate on the 1980 budget was, speakers of all parties agreed on one point: Government indebtedness has reached threatening proportions; the rate of new indebtedness must be throttled. The government recently borrowed an additional 50-60 billion marks a year. The national debt has reached about 420 billion. The fact that other countries are even more highly in debt cannot reassure anyone. On the contrary, the more an epidemic spreads, the more threatening it becomes.

It is useless to keep arguing today about whether the credit injections for stimulating the economy were correct or were dispensed at too high a rate. This does not get us anywhere. Nevertheless, something is gained because, now that the rise in the economy is accelerating of its own impetus, no one seriously denies the necessity for consolidation any more. Matthoefer even takes considerable credit for having reduced the estimate for new indebtedness for 1980 from almost 35 billion marks in the previous fiscal projection to about 28 billion in his budget draft, thanks to increased tax receipts. Actually, this comparison means nothing, particularly since it is known how little Matthoefer takes his own fiscal planning seriously. In 1979 the federal government will borrow approximately 28 billion marks; for 1980 Matthoefer fixes almost the same amount. According to the fiscal plan the indebtedness is to go down appreciably only in 1982. Despite all assertions, no consolidation is taking place. One cannot even talk of a first step toward it. Actually all parties are working on vote-getting spending plans, which are expected to be put in force if oil shadows should fall on the boss.

What, however, would be the consequences if now during the recovery a lasting reduction of new indebtedness were foregone? A continuation of the debt policy would lead to the government's share in the national

product, which rose automatically during the recession but also was pushed up intentionally by the borrowing policy, not being reduced worth mentioning. Today, almost every second mark still goes into the cash boxes of the government and social security, from which it can be gathered how far the socialization of incomes has progressed.

The federal government incurs the danger of losing all flexibility in its budgetary policy. The annual interest expense will double in only the 4 years up to 1983, to 22 billion marks. The federal government had to raise approximately 38 billion marks for interest and amortization for 1980. This exceeds the defense expenditures. In 1983 the new indebtedness will not even be sufficient to pay the interest. New indebtedness would then definitively no longer make sense, and the federal government would lose its ability to act. It would no longer be able to react effectively to new demands. Biedenkopf is right that the federal government would then have only one way out: to free itself of debt through a policy of inflation or through "a different sort of devaluation"--a dramatic prospect which does not fit in with the optimism broadcast by Matthoefer. Reality comes close when the FDP politician Hoppe speaks of the indebtedness as a "ticking time bomb."

The new indebtedness can only be reduced in three ways: either taxes are increased, or hidden tax increases are allowed, or the increase in expenses is drastically curbed. Tax increases whether direct or hidden would necessarily lead to the cementation of the excessive government share. In addition, the direct burdening of incomes with taxes long ago exceeded every reasonable measure. There remains, consequently, only the hard way of confronting the dynamics of expenditures. No one will want to belittle the federal government's achievement if in 1980 it should actually succeed in limiting the increase in expenditures to 5.6 percent. However, this does not gain anything for consolidation. A lasting reduction of indebtedness will only be achieved by making changes in the social security law and through cancellation of subsidies.

It is true that tax reductions, even if made only to prevent inflation-caused additional tax receipts, make consolidation difficult. They would also require additional reductions in expenditures. When, however, Matthoefer and Lamsdorff declare that such tax reductions are not in tune with the boom and are untimely, they have to allow this argument to be used against themselves. Both have in fact tied themselves down to a "heartly" tax reduction for 1981 without making proposals to cover this reduction and without knowing how the economy will be at that time. The requirement for consolidation will in any case not be less in 1981 than in 1980.

The SPD persistently lets it be known that in 1980 it will use even the smallest disturbance in the course of the boom to return to an expansive expenditure policy. Matthoefer as well, who calls himself a democratic socialist, makes no secret of the fact that he would rather conduct an

"aimed structural policy" with tax monies than generally reduce taxes. For him the tax has above all an economic and power-political function. This becomes clear when he says that 1981 tax reductions must above all benefit employees. However, in the Union also spending desires grow like weeds. Will Strauss be strong enough to mow them down? His credibility depends on this.

5586

CSO: 3103

REMOTELY PILOTED VEHICLES FOR MILITARY USE DEVELOPED

Munich SUEDEDEUTSCHE ZEITUNG in German 10 Sep 79 p 3

[Article by staff reporter Christian Potyka: "Seeing Through the Enemy With the Help of 'Kiebitzes'"]

[Text] Friedrichshafen, 9 September. A memorable meeting in the annals of German-American military cooperation took place last week in a closed-off section of Loewental Airport near Friedrichshafen: Senior U.S. military officers witnessed a demonstration by soldiers of the Bundeswehr of the technical equipment used for so-called terrain and enemy reconnaissance which has been developed by the German army on its own, independent of the Air Force and NATO. The public was excluded from this meeting. Bundeswehr information offices, which ordinarily tell the public about every American general shaking a German soldier's hand, were quite close-mouthed about this event.

Another source privy to the secret, however, did evince interest in gaining publicity: the Dornier armament works. It was pointed out in this connection that the American observers had been "very impressed" by the performance and the electronic equipment of the Bundeswehr reconnaissance systems. Dornier is the chief supplier of such equipment to the Bundeswehr. At Loewental Airport, the firm's proving ground and its field office for modern, flying reconnaissance systems are located: remote-control and programmed vehicles, so-called Drone- and RPV Programs. Drones are torpedo-like, unmanned vehicles. RPV (Remotely Piloted Vehicles) is the generic name applied to remote-control vehicles which can serve as carriers for reconnaissance devices such as cameras or sensors, as well as for destructive devices such as bombs.

As late as the early seventies, the United States set the tone in the military use of unmanned vehicles. The Vietnam War gave the experts some high-flying ideas, ranging all the way to a "remote-control pilot" who would successfully maneuver his aircraft during all phases of the mission while seated in a comfortable chair in a bomb-proof bunker in front of a television screen. The battle area and war itself were to be automated. But the automated vehicles not only turned out to be insufficiently maneuverable, but vulnerable and too expensive as well. As a result, one

had to bid goodbye to "pipe dreams" of this sort, as Wolfram Klaar, Dornier's sales manager for Drone- and RPV-Programs, puts it.

But, as far as Dornier was concerned, this did not mean goodbye forever. They kept to a middle course, concentrating on vehicles "which permit a largely automatic mission sequence or a sequence sufficiently slow so as not to make excessive demands on the pilot at the remote-control panel in front of the television screen." In constructing these flying crates for military use, the Germans appear to have been more successful than the Americans—at least as far as some prototypes and "drawing board studies" are concerned. A so-called aerial assault RPV, for example, has reached the stage, according to Klaar, where "we can start dotting the i's and crossing the t's" and enter the experimental phase. To gain a foothold on the international market, Dornier must first obtain attractive Bundeswehr contracts. But the armed forces' reaction to the inventive genius of the RPV engineers is somewhat hesitant. The defense ministry, it is true, has lent support to a number of the firm's projects; but it has postponed making definite decisions time and again. Modern technology, after all, is expensive.

RPV experts believe that NATO can appreciably strengthen its defense position in Central Europe by effecting a revolution in reconnaissance methods and devices. Existing regulations require a division commander to go through channels, a cumbersome and time-consuming procedure, to request aerial reconnaissance in sectors which are of interest to him. It may take 8 to 24 hours until the needed aerial photographs are available. Much time could be saved, if the army divisions themselves had reconnaissance systems at their disposal. Dornier seeks to make the Bundeswehr aware of this deficiency so that the firm can step in and fill the gap.

The trail-blazing role in this endeavor has been assigned to the German-Canadian reconnaissance drone CL-89. Five batteries of twelve vehicles each have already been assigned to army artillery units. This first-generation drone has a reconnaissance depth of up to 65 kilometers. The vehicle, 2.6 meters in length and weighing 108 kilograms, is sent on a flight circuit of up to 100 kilometers at an altitude of 300 to 1200 meters and is capable of bringing back relatively fast reconnaissance results. An optical camera and infrared sensors can be in operation almost throughout the flight and record images of a 3-kilometer-wide strip. These images can be evaluated within 60 minutes. Meanwhile, the army has flown more than 1,000 missions with this expensive system (each battery costs the taxpayer 32.8 million marks). The second-generation prototype, the drone CL-289, also jointly developed with Canadair, is being held in readiness by Dornier. It is going to be more efficient and, accordingly, more expensive. The first model of the new system was demonstrated last week at the Loewental Airport.

Hovering Listening Post

Another "secret weapon" being offered is the battle area monitoring system Argus. It is a "locked-into-place," hovering stationary rotor platform Kiebitz and the French radar system Orphee II with radar sensor on board the vehicle and an evaluation apparatus on the ground. As the drones fly over the area to be reconnoitered, the Kiebitz uses its instruments to "look" and "listen" around and about. The perfect altitude to aim for is 300 meters above the ground. The squat, 3-meter high listening device is capable of providing information about moving targets up to sixty kilometers, but it can also be used as a relay station to guide artillery fire. "Make no mistake, the Kiebitz is like a mobile church steeple," a World War II reconnaissance pilot was heard to say enthusiastically at the proving ground as he thought back to the risks one had to take then to obtain anything like this wealth of information.

The Argus pilot is seated safe and sound right on the ground, but cannot by rights lay claim to being a pilot any more. The Bundeswehr is therefore giving a lot of thought to what the qualifications of such operations ought to be. Even "a baker from the coal-mining region," they think, could handle the job. The Argus has not yet been purchased. The Bundeswehr is still hesitant about this item, too, since it must first find money in its budget for the AWACS reconnaissance system, a project costing billions, which was agreed upon on a political level last year. While means that smaller projects—the cost of one Argus system should amount to 2 million marks—must be set aside.

9478

CSO: 3103

KOIVISTO FRAISES SOVIET DETENTE POLICY

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 5 Oct 79 p 3

[Report by W.A., datelined Stockholm 4 Oct 79]

[Text] Finland has certified the neighboring Soviet Union's "great interest" in general detente and, by contrast, accused the West of neglecting similar efforts. Obviously referring to the imminent NATO winter meeting, Social Democrat Prime Minister Koivisto said in an interview (just published by the Norwegian newspaper Aftenposten) that he simply could not understand why the Western countries were approving greater defense expenditures, thereby "upsetting" the international situation. At the same time he claimed that his country was more considerate of overall north European interests than its Scandinavian neighbors of which Denmark and Norway belong to the Western defensive alliance.

In Finland Koivisto is assumed to be a potential candidate for the succession to President Kekkonen. For the first time since becoming Prime Minister in May last he has now publicly declared his views on topical issues, ostentatiously championing the concepts and arguments of the Soviet Union. In this context the Prime Minister even claimed that there are people on the Western side, who wish to "compel" Moscow to enter an arms race with the aim of producing a decline in the living standards of the Soviet people. These, he said, are "dangerous trains of thought" which also represent a significant set-back to detente since the final acts of the Conference on Security and Cooperation in Europe, signed 4 years ago in Helsinki.

Though the Finnish Prime Minister refrained from actually naming NATO and also avoided a direct answer to Aftenposten's question about the storage of modern nuclear weapons in Western Europe, he did explicitly mention adverse effects arising for northern Europe from the "upsetting" situation. Koivisto obviously intended to admonish the Scandinavian NATO members that, apart from Sweden, only Finland now assigns the appropriate importance to Nordic cooperation. The Prime Minister actually called it an advantage for this cooperation that Norway, in contrast to Denmark, had refused to join the European Community in 1973. Though Koivisto allowed, on the one hand, that each

country must find its "own approach," he did on the other emphasize that Finland would not accept any "risks." Thanks to its traditional foreign policy the country could call itself happy for living "among friends."

Last Thursday Koivisto's predecessor Sorsa completed several days of talks on general disarmament issues with top Soviet politicians. Sorsa had traveled to Moscow on behalf of the Socialist International to clarify a disarmament program which this organization intends to make public next February. On the same mission the chairman of the Finnish Social Democrats had earlier called on American President Carter, U.N. Secretary General Waldheim and the group of so-called unaligned nations. Following his discussions in Moscow, attended also by Soviet state and party chief Brezhnev, Sorsa did not publicly report on any details but underlined his hope for early ratification of SALT II by the American Senate.

A similar hope was expressed lately by Social Democratic State Secretary Inga Thorsson, responsible for disarmament issues in the Swedish Foreign Ministry. On that occasion she took serious issue with the American Senate and even President Carter while approving the Soviet Union's "accessibility" in matters disarmament.

11698
CSO: 3103

FIRST VIETNAMESE REFUGEES TO ARRIVE SOON

Reykjavik MORGUNBLADID in Icelandic 14 Sep 79 p 25

[Editorial: "Five Vietnamese Families and Four Individuals on the Way"]

[Text] Thirty-four Vietnamese boat people will arrive in Iceland on 20 September. They were chosen from a group of 8,000 boat people on the island of Pulau Tenach in Malaysia and are in the camp of boat people to be received by Canada and Western European countries, located just outside Kuala Lumpur, and will prepare there for the journey to Iceland. Representatives of the Icelandic Red Cross, Bjorn Fridfinnsson and Bjorn Thorleifsson, are still there and the people will be escorted by them. The Red Cross hopes to lodge the people, in a few days, at the now vacant Hvitaband and to provide medical assistance and nursing. After that, the people will move into a house purchased by the Red Cross in Meistaravollur for the time being.

Four large families of five to seven persons will be coming to Iceland. Additionally there will be a group of four brothers and sisters, and four youths. There will be 34 individuals in all, including 4 young children, carried in the arms of their parents. The people speak Vietnamese and Chinese and little else and will go over directly to Icelandic except for a girl who speaks French and English and will be the interpreter. Two families have sick children, a 2-year-old child with hydrocephalia and a little girl with a withered arm. Such families have difficulty in finding a country to reside in. The same is true for individuals.

Two Families With Sick Children

The families with the sick children are a married couple with two small children, 1 and 2 years old, the mother of the wife, who has been a seamstress, and her two children, youths. The husband has previously worked in a rice factory. Then there is a man who has been a seaman and farmer, his wife and two children, 4 and 5 years, and the brother of the man, 16 years old. The third family is a married couple with five children, the youngest a child of 1 and the oldest a child of 12. The husband is a captain and says that he has plans to work as a seaman. The fourth family also

has seven people: A married couple with four children under 7, and the brother of the wife. The husband worked in machine repair in Vietnam and his brother-in-law in a ballpoint pen factory. His 7-year-old daughter has had a withered arm since birth.

In the group of brothers and sisters there is a sister and three brothers, 14-23 years old, and the oldest brother is considered the leader of the families. They have gone to school and the eldest won a competition in diesel repair. There are three young men in a group, 24-27 years old. One is a surveyor, another has begun high school and a third has studied machine repair in the past but was in a mine before that. He is a Roman Catholic, the only one in the group of the Christian faith.

Finally, there is to be mentioned the young girl Pham Le Hang, who is 24-years-old and will be the interpreter of the group for the first year. She has a BS in chemistry and hopes to complete a MS later and she speaks French well and passable English.

The people are of both Vietnamese and Chinese ethnicity. They call Iceland Bang dao (land of icefloes). To some degree it is clear to each what this implies, as the representatives of the Red Cross communicated to a MORGUN-BLADID reporter. They also said that it was difficult to chose from among the boat people. The worst moment for them was when the names of the lucky people were announced on the loudspeaker and others came and said: "Why did you take them and not us?"

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FORMER FINANCE MINISTER ATTACKS NEW TAX LAW

Reykjavik MORGUNBLADID in Icelandic 14 Sep 79 p 2

[Interview with Matthias A. Mathiesen, former finance minister: "Matthias A. Mathiesen on the provisory law: 500 thousand krona tax increase in all for each family of five, purchasing power dwindles, inflation at 34 percent, treasury expenditures increase, 20 billion of new taxes"]

[Text] "The new taxes which the leftwing government has imposed mean a 500 thousand krona tax increase for each five-person family in Iceland. In addition, inhabitants of Reykjavik will have to pay a still higher tax due to the tax needs of the leftwing party in city government, or around 650 to 700 thousand krona for every family of five," said Matthias A. Mathiesen, Althing member and former finance minister, in an interview with MORGUNBLADID yesterday when he was asked about his views on the provisory law of the government.

Matthias also said that it was worthy of note that the ruling party has used the strategy of making the provisory law just before the Althing convenes, an extremely irregular procedure. It is also of note that the government still has to produce provisory arrangements and that no total plan in economic and financial matters is evident. It seems that the misgovernment which has reigned for more than a year will continue.

Matthias said that in spite of government promises that inflation will be reduced to 30 percent, there is more runaway inflation now than ever before--a total rate of 34 percent according to an estimate of the Craftsman organization. Matthias said also that the government did not keep its promise to reduce treasury expenditures which will probably be 30 percent of national production but were only 27 percent in 1977. He also said that purchasing power was diminishing in spite of promises concerning "agreements in force." It may also be mentioned that there is a trend towards more and higher taxes than at any time before inasmuch as they will amount to 29 percent now of national production but they were only 25.6 percent in his administration as finance minister. Matthias said that the new taxes of the left-government next year would be over 20 billion krona.

"It is clear, after a year of the leftwing government's being in power, that it has no grip on the administration of the nation and that it has failed in everything it promised when it took office. Instead of imposing, at the anniversary of the government, a new, heavy tax on the citizens, the government should resign, dissolve the Althing and call for elections. That would be an anniversary present that the people could accept. But the government ministers have no heart for this, since they fear the verdict of the electorate," Mathiesen said in conclusion.

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NEW LAW TO RAISE TAXES TEMPORARILY

Reykjavik MORGUNBLADID in Icelandic 14 Sep 79 p 2

[Editorial: "Provisory law of the government; 16 billion krona new taxes on the public; chairman of the Executive Committee of the People's Alliance comes out against the law"]

[Text] The provisory law of the government, made last Monday, involves 16 billion krona of new taxes on the public for the rest of this year and next year they will amount to 13.5 billion. Receipts of the treasury during all 15 months will thus run at the average rate of more than a billion krona per month. This law will increase the inflation index figures for the first of this December by 0.8 percent.

The treasury is authorized in the law to obtain a short-term loan with the central bank in the amount of 4.5 billion krona. The loan is needed to meet the treasury deficit until the end of the year since the law grants the treasury only 2.5 billion krona income until that time. The loan will be repaid next year.

The intake of the provisory law is through an increase in the sales' tax from 20 to 22 percent and the goods' tax, which was 18 percent before but will increase to 24 percent. After that a goods' tax of 30 percent will obtain, which the present treasury put forward in the provisory law of last year. But individual categories of goods in the 30 percent division before will become exempt. May be mentioned, in this context, among other things, goods such as records, musical instruments and sporting goods.

There were a great many disputes among the ruling parties concerning this law and, among others, Olafur Ragnar Grímsson, chairman of the Executive Committee of the People's Alliance came out against the law. Interviewed yesterday, he said that he did so because he was extremely opposed to increased excise taxes and said that it would have been better that "the finance minister carry out those agreements which the government parties supported in December concerning more strict control of taxes. For example,

fraud in the sales' tax is a very great problem and I would put an end to other things which continue to lay burdens upon the public, as was decided in December. And a return to a general excise tax is, in no way, a tool in the struggle against inflation--increasing the sales' tax and the goods' tax--and is a departure from those fundamental principles that we have adhered to.

In the Althing delegation of the People's Alliance Jonas Arnason also came out against the provisory law.

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PRIME MINISTER'S SPEECH IGNORES FOREIGN ISSUES

Rome IL BORGHESE in Italian 2 Sep 79 p 6

[Article by Francesco Cavalletti: "Taciturn Government"]

[Text] Someone wishing to read in our daily newspapers during the past few days about the new government's statements on foreign policy would not have had an easy time; some papers dedicated only 5 or 6 lines to the matter while others did not even make mention of it. However, it is not the fault of the press; it simply reported on the president of the Council [of Ministers] who, in his 60-page speech, devoted a bare minimum to the argument, as though it were pleonastic or negligible of perhaps a subject better dealt with at another time and place. The neo-president got away with just a few words: the usual hurried mention of the Atlantic choice, a willing remark on European policy and, finally, the habitual, propitious utterances on peace, detente, disarmament, and the Third World, while making certain not to mention, or to mention as little as possible, the United States and NATO, especially the latter, which has become a hot issue of a provocative nature, reminiscent of the cold war, to be carefully avoided so as not to stir up the left. In short, with respect to foreign policy formulations by the new government there is nothing new, nothing different from the faded, elusive statements which we heard from the honorable Andreotti during his tenure, when he went around searching for abstaining [votes] or the communists' vote. It is all a continuity about which there is nothing to be proud.

Frankly, we could have expected something better from a government which (they say) no longer has to go begging for PCI [Italian Communist Party] votes, which was created by the electorate's shift toward center, which was created from a [former] government which included the PLI [Italian Liberal Party] and whose minister of foreign affairs deserves to be fully trusted: [one could have expected] a realistic appraisal of the international situation, a premise or promise of a freer or more incisive Italian action in the Atlantic community. It has not been so.

If at times something concrete and positive is done at the Farnesina, it often occurs on the sly, almost in a concealed manner, overcoming episodically the inferiority complex held vis-a-vis the PCI; official, categorical and binding positions are never to be taken.

There are on the floor many problems which require rapid, if not immediate, decision, for example SALT II and the Middle East; but with respect to the above, the honorable Cossiga has told us absolutely nothing. SALT signifies not only the whole series of East-West rapports, but also the security or nonsecurity of Europe and of Italy. We still have something to tell the government, after the honorable Forlani's hurried felicitations before he even had time to examine the nuclear treaty. The United States has proposed to NATO that it equip five European countries with new nuclear weapons to mitigate the now evident negative consequences of SALT on European security and to offset the heavy deployment of Soviet SS-20's pointed against our cities. Naturally, in unison with the Soviet Union, the communist opposition has already unleashed a pack of lies aimed against NATO's reinforcement. PAESE SERA wrote: "It deals with an alarming mutation of American strategy, totally to the detriment of Europe, which NATO must oppose with extreme firmness."

For the PCI, the deployment of the new missiles would be a brutal imposition by American militarists upon the poor Europeans who fully trust the Soviet Union's policy of peace. In reality, it is the European governments (not the Italian government, for sure, but those which are responsible enough to recognize the insufficiency of European defenses) that ask for, and the United States which offers, the means to repair a situation more and more dangerous for us: the Europeans are free to reject [the means] if they want to be defenseless!

These are the specifics of the problem and we want to know what the new government will do. Will it reject its pious vagueness on the Atlantic pact and give a positive answer or will it again step back, as happened with the neutron bomb? The honorable Cossiga has not told us.

Then there is another very important question which also requires prompt decisions, perhaps even during the term of the upcoming UN General Assembly, dealing with the accord on the Middle East. The politics of the Middle East are again in a state of flux; faced with the hazards of Arab oil deliveries and with Israel's hardening stance or its backstepping on the Camp David accords, Carter is pensive and once again hesitant. Some European countries, France and Germany, are taking initiatives to insure oil for Europe; mention has been made of a European-Arab summit promoted by Giscard. What does the honorable Cossiga's government know or think of all of this? Here, too, the council president has forgotten to tell us.

These are all problems which in large part are linked to the essential problem, one which is not new but which, with Carter, has become more acute, namely the rapport with the United States. Solidarity with the United States is a priori, indispensable, imperative; without it Europe's freedom would have ceased to exist long ago, and this we never forget. But Italy, as well as the other European allies, should not be forced into a stance of servile approval or perennial acquiescence to whatever America does; rather it has the duty of cooperating, with friendly but frank and firm criticism, to give Western policy, as a whole, a straight, logical direction which is in harmony with global interests, European and American, correcting, if necessary, the errors, fluctuations and waverings of President Carter. Prudence and tact, as well as energy and determination, are necessary for such diplomatic action. It is an action, however, that has not even been remotely considered in [our] program statements.

The honorable Cossiga has let us know (he was explicit on this matter) that it is his intention to "continue to increase the friendly relations with the USSR." Fine, nothing against that; but let us remember that our allies are the Americans and not the Russians and that our partners are the Europeans and not the Soviets. A few less vague references touching on this matter, perhaps even directed across the Atlantic, for the Americans, would not have harmed the new government. The [American] president has recognized and is happy about the reduced communist pressure in Italy. Perhaps he then could have authorized positive hopes and expectations which, however, as things stand now, appear to us as unfounded or hazardous.

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CSO: 3104

COMMENTARY ON MONDALE'S TRIP TO CHINA

Rome IL BORGHESE in Italian 9 Sep 79 p 76

[Article by Francesco Cavalletti: "With China In The Future"]

[Text] Last February we gave the title "With China - Halfway" to an article on Deng's visit to the United States and the reserved and hesitant welcome offered him by the American government. In fact, Carter at the time did not wish or did not know how to logically develop a China policy which he had begun with Brzezinski's trip to Beijing, afraid of interfering with ongoing SALT II negotiations with the USSR and perhaps still suspicious of the new Chinese governmental group. The Chinese hand was thus only half played with incomplete results. Today, with Vice President Mondale's visit to Beijing, the United States is finally playing that hand with more determination and with more concrete results.

Not only is the American vice president's visit important in and of itself, not only does it preclude and prepare for visits at the highest level, not only are accords of various types concluded on this occasion of great relevance, but in public speeches extremely significant words have been mentioned officially which reveal relevant and compelling understandings reached during the confidential talks. It was not by chance that the similarity of both countries' futures were underlined in those talks as well as the intention to cooperate in the cultural, technical and economic fields and, of extreme interest, to cooperate also in the military field. That appears to be the meaning, in fact, of what Mondale said on various occasions. "Despite the often profound differences between our two systems," stated the vice president, "we are engaged in collaborating and in joining you to protect our numerous strategic and bilateral interests. A militarily strong and secure China is in the interest of the United States in the decade of the 1980's." It could not have been said more clearly, while the Chinese continue to lambast the dangers of Soviet hegemony.

Why this change from February to today? General political factors have certainly contributed, with persistent Soviet rearmament in the forefront; but there have also been specific reasons. Carter, after signing SALT II, has now, as is well known, serious difficulties with ratification in the Senate, which accuses him of compromising American security. The president believed, perhaps correctly, that placing China in the game of world security might facilitate the Senate's ratification of the treaty. He seems to say to those reluctant or uncertain senators: "What are you worried about? You see, I am not foolish enough to trust the USSR or believe in its promises; and if Soviet rearmament and expansionism were to continue, in order to stop them and to maintain those balances which you see threatened by SALT II, I have back-up assurances, and I can rely on Chinese cooperation."

SALT II has been an affirmation of bilateralism; a bilateralism which can offend friends and allies, particularly China, which has criticized it as illusory and dangerous. With the new steps taken in Beijing's direction, Carter wanted to erase these impressions, and wanted to launch polycentrism again.

On the other hand, Carter's personal interests play a role in the encouraging of a China policy. It appears as though this new attempt was decided at a recent meeting at Camp David, where the strategy for the electoral campaign for the reelection of the President was mapped out. Carter's foreign policy, for the time being, is lacking in results. Thus China has become, among the others, an electoral platform where Carter desires and hopes for success; a success so much more necessary now due to the rapidly fading accolades for Carter's Middle East accords.

With regard to Beijing, it is known that cooperation with the United States is one of its government's objectives. Following the uncertainties left by Deng's visit to Washington, Mondale's visit is very reassuring. The only price to be paid was that of papering over, during the talks, the Formosa question, indirectly confirming China's acquiescence to the status quo. It was the least Hua could have done in order to gain far better advantages. Mondale's presence in Beijing has, in fact, substantially improved China's negotiating position, be it with its talks with the USSR, which are about to begin and will deal with a vast series of items in the Sino-Soviet dispute, be it its negotiations with Vietnam, whose invasion of Cambodia was also excoriated by the American vice president. At the same time the warm welcome the Chinese gave Mondale gives the United States full guarantees that China, although it may have reopened negotiations with the USSR, has no intention of changing its allegiance and submitting to muscovite hegemony.

Finally, there is another consideration which must be mentioned regarding Mondale's mission, confirming what we already stated in our previous articles on China; and it is that, contrary to certain fears, cooperation between the West and China does not compromise peace, but rather it consolidates

it. The Kremlin, not long ago, made its most heavy and blackmailing threats against the United States and other Atlantic allies if they dared develop rapports with China, especially in the military field. Mondale's trip and the allusions to a "strategic" collaboration have ignored these threats and the USSR could do nothing but patiently stew in its own juices. This demonstrates once again that if one acts without fear the Russian bluff is called. Be it well understood that the USSR is no paper tiger; its aggressive policy and its immense armaments unfortunately are a reality; however, a resolute action by the West may dissuade the Soviet Union from its excesses and, above all, from making the mistake, which could be fatal, of believing that the West is irreparably weak, lacking in will power, passive and always ready to submit.

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PCI PAPER SEES ROAD OPEN FOR U.S. TALKS WITH USSR, CUBA

Rome L'UNITA in Italian 13 Oct 79 p 16 LD

[Commentary by Alberto Jacoviello: "Castro Has Offered Carter Path to Clarification"]

[Excerpt] Washington--Bay of Pigs

Ever since the failure of the Bay of Pigs venture and the creation of the missile crisis, no president has had the courage or the political strength, as Fidel says, to acknowledge that Cuba has made an irreversible choice. This is America's historical shortcoming. That is, its complete inability to accept other peoples' free choices when they profoundly affect the maintenance of U.S. hegemony on the continent which, according to the Monroe Doctrine, should be impenetrable to alien influences.

Hence the thorny problem posed by Cuba. Namely, the fact that to protect their revolution the Cuban leaders have chosen the path of very close relations with the Soviet Union, which is the United States' foremost antagonist. What should the "limits" of such relations be? The Americans would like to be able to define them, that is, dictate them. But it is precisely this presumption which conflicts with Cuba's freedom and sovereignty. In any case, Cuba's leaders are well aware that they cannot go beyond a certain point. It is a difficult problem. And therefore the problem which exists between an America which continues to present Castro--as the television has been doing over the past few days--as a danger to the United States, and a Cuba which regards its sovereignty as inalienable is still unresolved. Will Carter have the courage and political strength which other presidents lacked? Fidel seems to want to help him. This is the meaning behind his barely veiled offer to talk with the Washington leaders. The latter, however, prisoners of their "big power" logic, want to negotiate with the USSR and not with Cuba.

The latest manifestation of this logic emerged in the tension created by the presence of 2,000-3,000 Soviet troops in Cuba. Washington demanded an explanation from Moscow and not from Havana. It used a very different language with Havana--armed surveillance of its coastlines and the strengthening of the Guantanamo base. This is a blind alley. Indeed, the answer

to the questions which Cuba poses for America is not to be found in the Soviet capital. It is to be found in Cuba's capital. This is what Fidel has been saying for many years, and it is what his very presence on American territory for the second time in 19 years attests.

Message to United States

"I am pleased to be here," the Cuban leader said, on leaving his plane at New York. This is another sign, whose importance perhaps even exceeds that of his UN speech. It is a message addressed to Washington in a very delicate situation. Once again on Thursday Senator Church confirmed the link between the Soviet presence in Cuba and the ratification of the SALT treaty. Castro seems to be replying that he is willing to lend the U.S. administration a helping hand to escape from an impasse dangerous for everyone. But obviously only on one condition--namely that the limits of Cuba's decisions are not dictated by Washington but discussed by Cuba and Washington in their mutual interests and taking into account also the limits of U.S. "sensitivity"--as Carter described it--to events in the western hemisphere. Therefore, while Brezhnev in Berlin was appealing to Europe to leave scope for negotiations in the event of failure to ratify the SALT treaty, Castro in New York was asking America to discuss the obstacles, real or artificial, which could impede the ratification of the SALT treaty. Are these moves coordinated? No answer can be given from the American observatory. But one objective observation can be made: The road to negotiations is open. It was opened by Brezhnev on the one hand and Fidel on the other. It is now Washington's turn to speak, if there is anyone in Washington now capable of interpreting the significance of signs which are in fact not at all difficult to decipher.

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DC PAPER SAYS CASTRO DEMONSTRATED 'MESSIANISM IN BAD FAITH'

Rome IL POPOLO in Italian 14 Oct 79 pp 1, 7 LD

[Commentary by Pasqualino Spadafora: "Castro's Short Memory"]

[Text] Returning to the UNGA rostrum after 19 years, Castro tried to make the most of the prestige which he intends to acquire as chairman of the nonaligned movement. He referred to this post on several occasions, though often his references seemed like an excuse for attaching greater political significance to his attacks on the U.S. administration. The man we saw on Friday was certainly not the Castro of 1960: Less violent and more populist, restrained in his proverbial prolixity (but not too much so; he exceeded the time allotted for his speech by 70 minutes). In 1960 he spouted at the glass palace for over 4.5 hours. But the Castro who envisages a "new international order based on justice," who proposes a "farewell to arms" and urges the world to devote itself "to the most pressing problems of our time" (citing to this end "the sacred duties of the world's statesmen") appears to have little credibility, because his Messianism works only in one direction, if not indeed in bad faith.

His critique of the present world situation and the present world economic crisis was entirely confined to the capitalist system, for which Castro forecast an inevitable collapse. He did not utter a word, however, about the crisis affecting the area of real socialism, or the by no means resolved problems of the communist countries, starting with Cuba itself. Castro spoke in apocalyptic terms of the genocide of the Palestinians, placing it on the same level as the extermination of the Jews carried out by Hitler's Nazis, but he failed to make any reference to the tragedy in Southeast Asia and the alarming refugee problem. But one can understand this omission: Albeit to a lesser extent, the Cuban revolution itself caused a diaspora, and the anti-Castroite demonstrators were there to confirm it.

However, the most striking point was the unilateral call to "lay down arms," which came, moreover, at the very time when Cuba has superseded its traditional economy based on sugar production alone to "produce" soldiers, sent specially to Africa and the Middle East to defend situations and interests

difficult to reconcile with peace and nonalignment. In the Ogaden as in Angola, in Iraq as in Algeria, in South Yemen as in the Sahara, the presence of Cuban "advisers" or mercenaries constitutes an army several thousands strong at the service of Kremlin policy. This leads one to suspect that in the passage in which he told the UN delegates he was speaking "on behalf of the world's children without a piece of bread and of those denied the right to life and human dignity," Castro failed to take into account, for instance, the million refugees from the Ogaden in whose fate he is directly involved.

Furthermore, nonalignment is difficult to reconcile with the gendarme role taken on by Cuban troops at the points of greatest crisis in the world. Nonalignment regarded as backing for Soviet policy, without any distinction and entirely acritical, serves only to shift balances and cause further tragedies involving also "the children" so pathetically invoked in the UN address. In boasting of his leadership of the nonaligned movement, however, perhaps the Cuban leader was deliberately ignoring the fact that the UN Assembly itself rejected his intentions with respect to Kampuchea expressed at the recent Havana conference (on other very recent occasions, too, several countries have specifically demonstrated their disapproval of the kind of leadership which he wants to impose on the movement).

Castro also told the United Nations about his own country's problems as part of his attack on the United States, but he did so still in his capacity as chairman of the nonaligned movement. His aim, however, seemed to be to find some way of picking an argument with the United States: This can be deduced from his interview with the WASHINGTON POST, in which he says he is in no "hurry" to return to Cuba. Indeed, it seems that Castro's U.S. visit will last 5-10 days: We shall see what kind of contacts he has during this period.

CSO: 3104

BERLINGUER ON ROLE OF EUROCOMMUNISM AT MADRID NEWS CONFERENCE

Milan L'UNITA in Italian 10 Oct 79 pp 1, 16 LD

[Report by Augusto Pancaldi on 9 October press conference in Madrid given by PCI Secretary General Enrico Berlinguer, PCE Secretary General Santiago Carrillo: "Lively Dialog With European Press"]

[Text] Madrid--The decisive importance of maintaining the balances in Europe and throughout the world to avoid destabilization processes damaging to detente and peace; new initiatives from the communist parties of capitalist Europe not only to surmount the narrow concept of "three-way Eurocommunism" but also to mobilize all leftwing forces--socialist, progressive and democratic--and above all the European workers movement against the crisis and as the motive force behind a Europe acting as the cornerstone of a new international economic system based on equality and mutual benefit; Eurocommunism as the new hope for the younger generations, as the idea for more equitable, less self-centered societies capable of opening up more acceptable prospects for life; a constant and consistent quest for dialog with all socialist, social democratic, Christian and non-Christian forces as an indispensable factor in building this different kind of Europe: These, in our opinion, were the key points in the press conference which Enrico Berlinguer held for 2 hours, together with Santiago Carrillo and the members of both communist delegations, following the PCI secretary general's long and cordial conversation yesterday morning with Spanish Socialist Workers Party Secretary General Felipe Gonzalez.

Then both delegations met again at a lunch attended by the members of the PCE Executive Committee, including the secretaries of the communist parties of the Basque country and Catalonia and PCE Chairman Dolores Ibarruri. The joint communique on the talks between the Italian and Spanish communists will be published this morning before Enrico Berlinguer's return to Rome with the PCI delegation, following their 9-day visit to the Iberian peninsula.

Is Eurocommunism dead? Several journalists from various Spanish and European papers asked yesterday morning at the press conference. Is it merely in a state of crisis? Is it seeking escape routes elsewhere within the

framework of a crisis which seems to be engulfing the European societies? In light of the past few days' meetings in Lisbon and Madrid, we feel that Eurocommunism--despite the objective difficulties of a general crisis situation which is breaking down the social fabric, eroding the economies and impeding any kind of political initiative--is being proposed in an original manner not only as a long-term plan for a democratic socialist society but also as a plan for dealing with the most pressing and specific problems in a new way, in a world in which all the capitalist methods for resolving or surviving the crisis are themselves in a state of crisis.

"Our visit to Portugal," Berlinguer said in this connection, answering the first question, "can be placed within the framework of the need, of which both we and the Spanish comrades are aware, to develop a joint quest among all the communist parties and the other leftwing forces, especially on the problem of how to tackle the crisis in the European societies. In view of this need, it is neither useful nor logical to split the communist parties into Eurocommunists and non-Eurocommunists, because our initiative can also be shared by other parties which do not consider themselves Eurocommunist but can make a considerable contribution to the development of this quest inasmuch as they constitute a major force in their own countries."

At another juncture he added: "If we proceeded from the premise that any kind of difference of position prevents cooperation, we should not cooperate with anyone, either on the domestic or on the international plane. There is disagreement over the EEC with the Portuguese communists, for instance. Our party is in favor of extending the EC to Greece, Spain and Portugal, while the Portuguese Communist Party is opposed to its own country's EC membership. These differences must not and in fact do not prevent cooperation among the communist parties."

In other words, in Portugal today, less than 2 months before the general elections, a clash is underway between the leftwing and a rightwing which "is not merely conservative but works within a context of challenging the democratic gains of the 1974 Portuguese revolution" and obviously the Italian communists (and the Spanish communists, Carrillo added) hope that the rightwing will be defeated, because the problem of defending democracy in Portugal is of concern to all European democracies. In Italy the PCI's basic objective is "a democratic coalition government" comprising all the democratic parties, including communists and socialists. "This objective," Berlinguer explained, "cannot be achieved at once," but the PCI is fighting from opposition for the attainment of a combination of economic, political and social objectives to prepare the best conditions for forming this democratic coalition government.

In short, extremely different situations make up a framework which, though not homogeneous, does have a common center, namely a democratic solution to the various crises. "Indeed," Carrillo said, "we believe that the ruling forces are not properly aware of the innovative nature and the extent of

the present crisis or of the efforts that the Spanish and Italian communists are making to insure that all progressive forces realize the extent of this crisis and understand the need to provide a solution to it based on the cooperation of the entire democratic alignment."

Still on the same topic (a large proportion of the questions centered on the situation of the leftwing forces in Europe, the spread of the Eurocommunist idea, Eurocommunism's objectives and the problems of Italy, Spain and Portugal) Berlinguer said: "In Italy we recently made an effort--as did the socialists--to improve relations between the two leftwing parties. This was because the communists and socialists realized that their polemics in recent years have not served the leftwing forces but ultimately served the Christian Democratic Party. We both acknowledge now that we need to be more united--within respect for our individual autonomy--to exert a greater influence on our country's political and social life."

Next the PCI secretary general discussed in further depth the various problems of the crisis, of the unity of the leftwing forces and of Eurocommunism: "The Eurocommunist parties," he said, "do not want in the least to oppose non-Eurocommunist parties, but this does not alter the fact that Eurocommunism has its own specific characteristics and peculiarities, its own original formulations, which we are carrying forward. At the same time, I repeat that joint initiatives must also be found with the parties which do not define themselves as Eurocommunist." Why? Because all the communist and socialist parties and all democratic forces want to surmount the crisis tormenting the European societies. The origin of this crisis, Berlinguer believes, lies in the link between the process of decolonization, the Third World's aspiration to establish more equitable economic relations, and the decline of the European societies' models.

The leftwing forces must therefore promote a new system of economic development, propose new social structures and new structures for consumption. The European workers movement "must, for its part, create a system of international cooperation aimed at reexamining the world's vast depressed areas, a system based on the principles of equality and mutual advantage."

Still on the subject of Eurocommunism and on the French communists' alleged "defection" (according to one journalist's question), Berlinguer said: "We have signed both bilateral and trilateral documents with the PCF right here in Madrid, establishing the fundamental principles of the Eurocommunist concept. We now want to move away somewhat from the idea that everything must be done by the Eurocommunist parties and nothing by the others." A fortnight ago, the PCI secretary general recalled, "I had a meeting with Marchais in Strasbourg. Comrades Pajetta, Gremetz and Ascarate, representing the three Eurocommunist parties, recently met in Madrid. On both occasions we had exchanges of ideas on the need and the ways to extend Eurocommunism."

"I would like to add," Berlinguer continued on another issue, still centered on Eurocommunism in relation to the crisis of the European societies,

"that as far as we are concerned, it can and must also become an objective capable of permitting the solution of the crisis of the younger generations, by proposing to them a new idea of socialism within freedom. This idea was and still is central to the Eurocommunist idea and can revive the faith of those who have lost it and convince them that there can be a more unitary way of life and real social justice."

As we said in the beginning, Berlinguer replied to a question concerning Brezhnev's recent speech in Berlin that "we have not yet read the full text of Brezhnev's speech. We know from this morning's news that it has been commented on differently in the various capitals. We know, for instance, that it has been described as a contribution to detente in FRG Government circles. As far as the question of the balance of forces in Europe is concerned, our position is that this balance must be maintained as an essential element in security and stability. We have no special sources of information to enable us to know whether or not the balance has been altered. We do believe, however, that this issue must be clarified in the most objective manner possible, bearing in mind the fact that as far as we are concerned the essential goal is balanced arms reduction."

CSO: 3104

PCI'S BOFFA LAUDS 'BOLD,' 'WELL-CONSIDERED' DETENTE POLICY

Milan L'UNITA in Italian 11 Oct 79 p 1 LD

[Article by Giuseppe Boffa: "Europe Faces Rearmament Problems: Schmidt Wants To Negotiate (Is He a Kremlin Agent?)"]

[Text] I do not believe that German Chancellor Schmidt's interview with London's THE ECONOMIST has gained the attention it deserved in Italy: I am talking in particular about the second part, published in the magazine's latest issue. This is a pity, because it is a very lucid document, precise in its assessments and formulations and worthy of the greatest interest.

One remark in particular, I believe, effectively sums up what the Americans would call the Schmidt "philosophy," that is, the general thrust of the policy which he proposes. We are, the chancellor says, members of the Western alliance and we want this alliance to be strong and to maintain its defense capabilities. As Germans and as an alliance, however, we need to "get along with the Eastern Bloc countries": "We do not want to return to the cold war," because, Schmidt explains, "we have nothing to gain" from such a backward step. However, he adds, "A return to the cold war is still feasible: I hope it will not happen, but we have not yet passed the point of no return."

This overall stance leads to a number of specific considerations which acquire particular significance in the current debate on the weapons issue. Schmidt asserts that thanks to the detente policy the Germans--and by the Germans he means both East and West Germans as well as the Berliners--have never been as "secure" as they are today: That is, they have never had such a sense of security, either in the sixties or indeed at any time since the war. This is precisely because a "cooperation between Western and Eastern Europe" has been created, which makes it easier for both sides to evaluate and forecast their interlocutor's interests and initiatives.

Schmidt argues the need for a "balance" between the camps, without which detente could not continue, with equal firmness and sometimes even with impassioned fervor: Balance, note, and not therefore one camp's "superiority" over the other--a concept which Schmidt considers dangerous, even

if it is to the West's advantage. Hence his insistent peroration on the Washington Senate's ratification of the SALT II treaty: Otherwise nobody could trust the U.S. President's pledges any more. But SALT II is not enough. It establishes agreed parity only in the field of intercontinental nuclear weapons: Now something similar must be built also in the other fields.

This leads to the issue of the moment, which is already being referred to as the "Euromissiles" issue. Schmidt starts by asserting that "there is no cause for alarm": He adds in no uncertain terms that "some people" are adopting "alarmist attitudes" purely for reasons of domestic policy (if we understand this properly, this applies to both America and Europe). Schmidt also rejects the idea of nuclear weaponry for Germany: It is not a nuclear power and it does not even want to give the impression that it aspires to become one. Nevertheless, he does not rule out specific measures for adjusting the balance, where these prove necessary; but at the same time he urges "a serious initiative for a mutual agreement aimed at limiting the number of weapons and warheads in this field (that is, Europe) both in the East and in the West." The aim must be to obtain in all the other "sectors in which military strength has a role...the same fixed and agreed balance as with SALT II." This must be achieved by means of the already planned SALT III talks, which must extend their scope precisely to the weapons stockpiled by the two major powers for possible future use in Europe.

We have provided a lengthy resume of Schmidt's worries and pointers not only for what seems to us their intrinsic worth. Two other reasons must be pointed out. First, these ideas come from the government which over the past decade in Europe has managed, first with Brandt and then with Schmidt, to pursue what is perhaps both the boldest and at the same time the most well-considered foreign policy, having had to overcome very profound and understandable misgivings to this end, but acquiring a new international authority in return (it was precisely this increased prestige which THE ECONOMIST's interviewer took as his starting point). Second, Schmidt's apprehensions and proposals are not his alone, but are far more widespread throughout Europe (and elsewhere).

It is an important fact that the Socialist International set its own "working group" on disarmament in motion a year ago, and a no less important fact that this group has been directly to Moscow to sound out the Soviet Government's intentions. Curiously, when the Italian press discussed the meeting with Brezhnev it only reported what the Soviet president said and not his social democratic visitors' remarks. Both Carlsson, secretary general of the International, and Soraa, chairman of the group and former Finnish prime minister, in fact pointed out that the present moment is a very delicate one.

Essentially, what they said was that the world is faced with a dilemma: Either results are achieved in the direction of disarmament or we will have another arms race twist and even the benefits of 10 years' detente will be lost.

It is time, therefore, to realize that this is the real context within which the current debate on the U.S. request to deploy new and more sophisticated missiles in Europe must be conducted. We certainly do not need preconceived answers and partisan, predetermined decisions. Even Eugenio Scalfari has realized this: After uncritically accepting the theory of the Soviets' sudden "superiority," he saw that matters were not in fact so simple and proposed that Europe, in common agreement, request and secure guarantees from the Americans.

We have already said that if specific measures prove necessary to maintain the balance, they must be taken. But this must be done after due consideration, only to the exact extent that they may prove indispensable, with the necessary guarantees and, above all, with the intentions of negotiating to reach first a limitation and then a reduction of the opposing weapons in Europe. We do not feel that this approach is any different from Schmidt's or that our worries are any different from those expressed by the social democratic leaders in Moscow: Let us try not to jeopardize the progress laboriously achieved in detente over the past decade. Otherwise the eighties could be tragic for everyone.

CSO: 3104

PCI CC GREETES CHINESE COMMUNISTS ON PRC'S 30TH ANNIVERSARY

Rome L'UNITA in Italian 30 Sep 79 p 1 LD

[Apparent text of "PCI Message to CCP on PRC's 30th Anniversary"--first paragraph is L'UNITA introduction]

[Text] Rome--Tomorrow China celebrates the 30th anniversary of the founding of the PRC. On this occasion the PCI Central Committee has sent the CCP Central Committee the following message:

On the PRC's 30th anniversary the Italian communists send their greetings and good wishes to the Chinese communists and people. The victory of the Chinese revolution and the building of a new society in China constitute the most important event on a world scale since the October revolution, following the path opened up by it in the struggle for national liberation and the peoples' liberation and for socialism.

The creation of the PRC 30 years ago was the outcome of a history of struggles, sacrifices and victories by the Chinese communists and people's masses. The 30 years since then, despite the troubles of an experience marked by contradictions and conflicts, have made it possible to elevate the most highly-populated country in the world from conditions of oppression dating back thousands of years, to liberate its people's masses from subjugation and exploitation and to begin the process of building a new, socialist society.

The Italian communists express the hope that the present efforts to consolidate these significant achievements and to modernize the vast country can impart a new impetus to and lead to more advanced results the great task undertaken by the Chinese people. The Italian communists are sure that the case of consolidating peace and cooperation among all the states and peoples of the world, within the sovereignty of each one, needs the PRC's active contribution.

The Italian communists will continue to work to intensify and develop exchanges and relations between Italy and the PRC and the friendship between the Italian and Chinese peoples, in the interests of both peoples and of the cause of peace throughout the world.

PCI CC GREETES SED ON GDR ANNIVERSARY

East Berlin NEUES DEUTSCHLAND in German 7 Oct 79 p 6 AU

[Apparent text of greetings message from the Italian Communist Party Central Committee to the SED Central Committee on the occasion of the 30th Anniversary of the founding of the GDR]

[Text] To the SED Central Committee, Berlin.

On the occasion of the 30th anniversary of the GDR's founding the Italian communists convey to the communists and the GDR citizens their most cordial congratulations. On this important occasion, the Italian communists above all want to recall the contribution furnished by the GDR in these 30 years for the implementation of a policy of peace and security on our continent. The progress of the GDR, its peace policy, the antifascist ideals upheld by it, have represented and still are representing one of the development factors of a system of security and cooperation in Europe as envisaged in the 1979 Helsinki Final Act, and is a guarantee that the past does not return and that the future generations can live under conditions of peace and friendly cooperation between all states and peoples. For this reason, too, any attempt to turn back the hands of time and to fan tensions and divisions in Europe, must be rejected.

The Italian communists, as advocates of a policy of disarmament, of international detente, fruitful cooperation between all countries, the overcoming of the blocs in Europe, take this opportunity to reaffirm their will to work for the intensification and the development of the relations in all fields between Italy and the GDR.

The achievements of the GDR in these 30 years were significant for the socialist development of the country and for the improvement of the living conditions of the working people and all the people. Today the GDR is a progressive industrial country which is capable of competing with the most highly developed countries in the world on the same level.

The Italian communists are convinced that on this basis and by the implementation of the democratic development in all fields of the country, a

further progress of the GDR will be possible. In this sense the Italian communists want to convey their greetings and congratulations to the SED comrades and the GDR citizens for the further successful implementation of their goals.

[Signed] The Central Committee of the Italian Communist Party.

CSO: 3103

PCI'S CHIAROMONTE CRITICIZES COSSIGA'S ECONOMIC POLICY

Rome L'UNITA in Italian 16 Sep 79 pp 1, 17

[Report on interview with Gerardo Chiaromonte, head of the Italian Communist Party's Economic Section, by Stefano Cingolani: "We Are Highly Critical of the Government's First Actions"; in Rome, date of interview not given]

[Text] Rome--The government's decisions have had the effect of a cold shower on public opinion and have caused a ground swell of harsh criticisms. Among the newspaper comments we find: "Off On the Wrong Foot" by IL MESSAGGERO; "To What End These Sacrifices?" (PAESE SERA); "Government Blitz" (L'AVANTI!); "Proof of Government Impotence" (LA STAMPA). We therefore asked Gerardo Chiaromonte, head of the PCI's [Italian Communist Party] Economic Section, for a more detailed evaluation. It was a Friday night--only a few hours after the announcement that gasoline and heating oil prices would increase--when we went to his office for an interview on the economy and the social and political problems that loom this fall. On his desk before him lay the press agency dispatches with the text of Cossiga's appeal. Telephone calls still overlapped each other on the fifth floor of Via Botteghe Oscure, where the Economic Section has its headquarters. Reports were arriving on the acute differences that had characterized the meeting of the Council of Ministers. Opinions were sharply critical.

"We communists," explained Chiaromonte, "are highly critical of the complex of provisions that have been enacted. And for various reasons; but above all because from them there emerges a desolate lack of ideas and undertakings in regard to economic and energy policies. The decisions taken to implement energy savings appear to lack substance. The prime minister's appeal is laced with generalities, and its tone and rhetoric fail to hide the absence of an energy policy and of a more general economic one. And the gasoline price rise, which admittedly may in some respects appear inevitable, raises many questions: What is this government's price policy? How does it intend to fight inflation? Has the effect of the gasoline price increase on the price dynamics of all the items of primary need been calculated? Can it be concluded that this price increase will indeed help reduce the consumption of gasoline? No: It really seems to us that the determining characteristic of these measures, which besides being ineffective hit the poorer sectors of the population, has been improvisation."

[Question] Do you, then, base on this first official action of the government a negative viewpoint on its policy as a whole?

[Answer] We must of course remember that Cossiga took office only 1 month ago and it would therefore be unfair to hold him accountable for what has not been his responsibility. We cannot, however, forget that the country has been without a government since January. Even before these measures on energy, we felt cause for alarm: the hesitancy shown on pension reforms after the attack launched by two of the three parties that make up the government; the prime minister's speech in Bari, which appeared to us devoid of any relevance to the grave problems being so acutely felt by the population, such as the rise in prices and the difficulties and crises plaguing some industrial sectors."

[Question] How, then, do the communists intend to react to this political situation and to this government?

[Answer] We, on the one hand, reaffirm our intent to promote encounters among the democratic forces, primarily those of the left, with the object of restoring the unity the country needs, and, on the other, consider it necessary from the viewpoint of democratic government and of the country's future to fulfill, constructively but firmly, our function in opposition to this government—an opposition that will always be based on the major issues of interest to the working masses and to the future of democratic government.

[Question] Specifically, how will an opposition of this kind be conducted? On what issues will you bring political pressure to bear?

[Answer] We will base our action on the major issues: the fight against inflation and for a planning policy that of course corrects the errors, limitations, and contradictions in the policy pursued during the years of the unified democratic majority, but that also holds firmly to the line of democratic planning and is based, in all fields, strictly on equity. We will fight for a development policy capable of dealing with the basic issues: southern Italy and youth. On the country's developmental problems, we will seek encounters with all the democratic forces, with the experts, with the intellectuals. We will try to build up joint positions with our socialist comrades; this is why we ascribe great importance to next Thursday's meeting. We will pressure the government with a unified attack and a grass-roots initiative in parliament and throughout the country.

[Question] Do you think then that political action must now be focused mainly on content, beginning with socioeconomic issues?

[Answer] I do not much care for this distinction between form and content. However, it is our opinion that emphasis must now be shifted from the general questions of strategy and political line-ups that dominated the debate last week to the specific problems of development, to the condition of the country, to ways out of the crisis. There have already been meaningful indications pointing toward this shift of emphasis in the last few days. Let us hope they will be followed through.

[Question] Let us dwell for a moment on an analysis of the crises. We are being accused by some of self-servingly emphasizing its negative aspects. What are the economic and social outlooks for this fall?

To the above question, Chiaromonte responded that there is no hiding the existence of positive aspects: for instance, the exceptional performances in the fields of tourism and vacation-oriented businesses, the significance of which must not be underestimated, as well as the steadfastness being shown by the small industry and export sectors. "However," he underlined, "among the poor and the young, uncertainty and anxiety are the prevailing states of mind." On the other hand, it appears to me that the situation is being exacerbated by the economic outlook for the coming months. Inflation has long since risen again and is being fed by the energy crisis. In some basic sectors of large industry (not only chemicals and steel but not also Fiat), the situation is critical. The most highly responsible world business circles are expressing concern based on actual facts. It is becoming more than ever obvious that what the country needs is a government that is much more authoritative and capable of dealing with the current situation."

[Question] Has the post-election euphoria--the optimism that a new boom would emerge from the submerged economy, the dream of basing on this newfound economic "stability" a political operation that would eliminate the communist issue--come to an end?

[Answer] Of course. The duration was about one morning for certain theoretizations, like those of the honorable Bassetti, based on the supposition that the Italian economy could now slumber peacefully, buoyed by the new entrepreneurial optimism being voiced. Generally speaking, I think the same political fabric in which the rupture of democratic unity had been wrapped had grown threadbare by the end of several weeks. This is why we believe there are renewed prospects today for a fruitful encounter; in any case, we are working toward it.

[Question] Carli also seems to have rediscovered the value of a broad consensus. Have you read how he concluded his interview with CORRIERE DELLA SERA?

[Answer] Actually, Dr Carli was always circumspect toward the events that finally led to the disruption of democratic unity. He resisted joining the chorus of those who sought the rupture. Naturally, in manifest contrast, he fought strongly against all attempts at planning and was the most visible advocate of a neo-liberal kind of political and cultural offensive, setting forth schemes and proposals which, among other considerations, had already failed not only in Italy but also in other countries.

[Question] In sum, a certain facile enthusiasm has now faded--so much so that the question being raised is no longer whether the crisis is serious or blown up out of all proportion, but rather whether the greater danger is that of a recession or inflation. Which of these appears to you the more likely?

[Answer] This is a dichotomy that is repeatedly put forth, seemingly disregarding the scientific evidence as to the characteristics of the crisis that for some time now has troubled the capitalist countries. Inflation and recession are at this point inextricably intertwined. It is very difficult now to pinpoint the principal enemy in Italy (just as it is very difficult, on the other hand, not to see the interlacement that takes place between the parasitic and the advanced sectors of the economy and of society). The fight against inflation cannot be conducted by means of restrictive measures that could bear disastrous results in a very short time to entire sectors of the economy and to southern Italy. On the other hand, confining ourselves to an anti-recession policy would fail to take into account that inflation is the strongest incentive to the development of social injustices, imbalances, corporatist practices, and contrasts within the population.

[Question] Is it really possible to avoid the vicious inflation-recession cycle that has been plaguing us for so long? What kind of economic policy could achieve this objective?

[Answer] A policy of strong productive regeneration (with special emphasis on state participation, which has for some time now been inert and blocked), of programmed investments, of industrial reconversion and of development of southern Italy. To ensure this regeneration and guarantee against its being undermined by inflation, there must be a global planning policy aimed at changing lifestyles and consumer habits. Our proposal is not an intellectual abstraction: The problem of developmental quality and control, set forth by Berlinguer, is decisive to a positive overcoming of the crisis, to a resolution of the social issues and current contrasts in Italian society, and to the attainment of social justice. Austerity, planning, broadening of the productive base, quality of development: these are the cardinal points in our economic policy.

[Question] Have party actions been launched on some of the more pressing issues, and if so, can you explain their nature?

[Answer] Yes. We have launched mass demonstrations, continual struggles, and political pressures on prices, housing, pensions, and other matters of interest to the living conditions of the workers.

[Question] What are the specific objectives being sought?

[Answer] On prices we are seeking intervention to curb increases in those of prime necessity products, and urging action and commitment to this end on the part of local entities, cooperatives, and grassroots organizations. On pensions, we want rapid passage of the reform law, overcoming the most profound injustices toward poor pensioners, raising the minimums, introducing elements of morality throughout the pension system. On housing, a deferment of evictions, measures of an extraordinary kind for the resurgence of construction, full implementation of the 10-year plan in the shortest possible time.

[Question] The working forces are in ferment this fall as well. What are the causes of tension? Let us take first the public sector....

[Answer] It must be admitted that the governments have addressed this issue in a hallucinatory manner. Everyone today, including the foremost scholars, recognizes that a widening gap has been created to the detriment of public employees. This explains the state of malaise and even frustration that is spreading among these workers. We communists have expressed our solidarity and are in agreement with the demands of the unions that are seeking greater justice. Only on this basis can we begin to seriously address the problem of work and productivity in the public administrative domain, the changes that need to be made, the efficiency that can ultimately be guaranteed in the major public services (railroads, post office, schools, etc.).

[Question] But even in the factories, where labor contracts have only just been signed, workers' unrest has flared up again. Why?

[Answer] There are disconcerting indications of a resurgent offensive against the labor rights and gains of the workers. We must react with the necessary energy against these attempts. Only in this way can the laboring class and all the workers carry on their fundamental fight for a new economic policy and for a solidly based increase in productivity. This is what Italy needs in order to overcome the difficult situation we are now facing and to assure the younger generations and the people of southern Italy a future of progress and development. Thus: Our fundamental task at this moment is, in our view, to contribute to a building up of an awareness among the Italian working class of its responsibility and its national role in this regard.

9399

CSO: 3104

BRIEFS

ELECTION RESULTS--The final results have been announced in the local government elections in 41 communes held on 14 and 15 October. Here are the overall election results for 28 communes having more than 5,000 inhabitants with the percentage of the total vote each party has received and its share of the seats: Christian Democratic Party, 39.3, 315; PCI, 24.7, 198; Italian Socialist Party, 16.2, 138; Italian Social Movement-National Right, 4.5, 31; Italian Social Democratic Party, 6.6, 43; Italian Republican Party, 2.9, 15; Italian Liberal Party, 1.9, 6; Democratic Party of Proletarian Unity, 0.4, 2. [Rome Domestic Service in Italian 0700 GMT 16 Oct 79 LD]

PRC JOURNALISTS VISIT--Rome--Two journalists of the CCP organ RENMIN RIBAO arrived in Rome yesterday for a visit to Italy at the invitation of L'UNITA and RINASCITA. Ideological desk chief (He Kuang), commentary desk deputy chief (Qian Shixin) and their escort (Zhang Zhiyu) were met at Fiumicino airport by co-editor of L'UNITA Claudio Petruccioli, editor in chief Renzo Foa, foreign desk chief Guilietto Chiesa and Massimo Ghiara of RINASCITA. [Text] [Milan L'UNITA in Italian 12 Oct 79 p 24 LD]

CSO: 3104

GOVERNMENT PLAN TO HALVE OIL BILL BY 2000

The Hague ALGEMEEN NEDERLANDS PERSBUREAU in English 20 Sep 79 p 2

[Text] The Hague, September 19--The Government today announced it would double public funds for energy-saving measures to help halve the country's anticipated oil bill by the end of the century.

Economics Minister Gijsbert van Aardenne told journalists here that the Government would back a 20-year conservation programme with an annual 600 million guilders from budget funds.

This year the Netherlands allocated around 300 million guilders to promote energy-saving measures, a fourfold increase over 1975.

Mr Van Aardenne, speaking after presenting a white paper on energy to Parliament, said the programme would include increased insulation of buildings, subsidies, a tightening up of regulations for construction of central heating systems, and a publicity campaign.

Assuming that energy prices would double by the year 2000 this programme would reduce Dutch oil consumption by then by more than one-half compared with what it would have been if no action had been taken, he added. At present oil accounts for more than 40 percent of the Netherlands' total energy needs.

Mr Van Aardenne said the government aimed to increase the efficiency of energy use by 10 percent in 1985 compared with 1977, by 20 percent in 1990 and by 30 percent by the end of this century.

It was also determined to diversify the country's energy sources, currently basically oil and natural gas. Dutch gas reserves would drop rapidly over the next 20 years but it was important that the Netherlands still had gas available for special needs after the year 2000.

Gas Imports

The Netherlands would have to continue importing natural gas and he would be having talks with his Norwegian counterpart shortly about the possibility of obtaining supplies from Norway, the Minister said.

The Government's policy was to keep part of the gas in the main Groningen field as a strategic reserve for as long as possible, Mr Van Aardenne went on.

A recommendation which the Government was to have made next month on the future of nuclear energy has been postponed, probably until next year, he said.

Economics Ministry officials said earlier this year that the Government would propose in October a sevenfold increase in atomic energy use, at present only about one percent of the Netherlands' total energy requirements, by giving the go-ahead in principle for construction of three new plants, each of 1,000 megawatts capacity.

The proposal was to have heralded a two-year public debate on nuclear energy.

The government will publish a white paper on the future use of coal, probably in November, and this will be followed by a separate report on atomic power, Mr Van Aardenne said.

CSO: 3120

COAL DEAL WITH POLAND UNDER GOVERNMENT GUARANTEE

The Hague ALGEMEEN NEDERLANDS PERSBUREAU in English 21 Sep 79 p 1

[Text] Warsaw, September 20--Poland will supply the Netherlands with 600,000 tonnes of steam coal annually for the next 10 years under a contract signed today after the Dutch Government agreed to guarantee a credit to Poland, Dutch Prime Minister Dries van Agt announced here.

Our special correspondent reported that Mr Van Agt told a press conference here Dutch Foreign Minister Chris van der Klaauw and Polish Foreign Trade Minister Jerzy Olszewski signed a protocol on the guarantee of a 60-million-dollar credit to enable new Polish coal mines to be opened.

A consortium of Dutch banks led by the ABN bank will make the money available on October 1. It is repayable over a five-year period starting then, Dutch officials said.

The Rotterdam firm Scheepvaart and Steenkolenmaatschappij (SSM) and the Polish coal trading agency Weglokoks signed the coal supply accord. The price was not revealed.

Officials specified that the coal was for energy production, Mr Van Agt said this was part of a new Dutch energy policy placing greater short-term emphasis on coal as the country debates whether to expand nuclear power, and seeks to conserve its gas resources.

8 Million Tonnes

Scheepvaart en Steenkolen Mij BV (SSM) said in Rotterdam today an agreement was signed in Warsaw for a 60-million-dollar prepayment for deliveries of around eight million tonnes of Polish coal to the Netherlands over a 10-year period.

It said the advance will be made by Algemene Bank Nederland NV and Amsterdam-Rotterdam Bank NV under guarantee by Nederlandsche Crediet-verzekering Mij NV.

SSM, a subsidiary of SHV Holdings NV, said the coal contract is on a fob basis and it will arrange freight. It gave no further details.

Talks With Gierak

Mr Van Agt told the press conference that his talks earlier today with Communist Party leader Edward Gierak had focused on the question what relatively small countries like Poland and Holland could do to bridge the gap between the Eastern and Western power blocs.

He said they had not discussed the problem of updating tactical nuclear arms in Europe.

This afternoon Mr Van Agt met Polish President Henryk Jablonski.

CSO: 3120

BRIEFS

INSTITUTE DEVELOPS GAS-SAVING GADGET--Apeldoorn, September 19--The VEG Gas Institute said here today it had developed a heat exchanger which cuts the energy used by gas-fuelled central heating systems by an average 15 to 20 percent, or by about 500 cubic metres of gas a year. The piece of equipment, called economiser, will cost about 600 to 800 guilders and the outlay can be earned back within five to six years, the institute said. The economiser is one of a series of fuel-saving gadgets announced today on the occasion of the institute's 50th anniversary. The ceremony marking the occasion was attended by Economics Minister Gijs van Aardenne. The Netherlands Energy Development Company (NEOM) will start an experiment within the next few weeks with 1,550 economisers to be installed in housing estates throughout the country. The principle of the economiser, developed over a two-year period in the institute's laboratory here, is to win back the heat from gases which now escape through the chimney. Most of the energy-saving gadgets announced by the institute are designed to cut back on heating fuel because this accounts for 60 percent of all household energy requirements, including motor-ing. [Text] [The Hague ALGEMEEN NEDERLANDS PERSBUREAU in English 20 Sep 79 p 3]

CSO: 3120

LABOR PARTY YOUTH ORGANIZATION CALLS FOR A MORE SOCIALIST LINE

Oslo AFTENPOSTEN in Norwegian 24 Sep 79 p 3

[Text] "The Labor Party must be a clearly socialist alternative. The poor election result must not cause the party to drift toward the center in Norwegian politics," explains the AUF [Labor Party Youth Organization], which held a leadership meeting over the weekend. The leaders also strongly criticized the party leaders for a poorly organized election campaign, which they believe caused doubts among the voters and the local representatives.

But at the same time the AUF said that the poor result cannot be blamed on one side alone. There is a common responsibility of the entire party, including AUF. It should be realized that in many places the election result was due to local causes, said a statement from the meeting.

In his speech to the leadership Saturday the chairman of the AUF, Thorbjorn Jagland, maintained that making necessary personnel changes in the party is only one aspect of a large political and organizational offensive in the central and local organization. According to what AFTENPOSTEN has learned, AUF will not demand changes of cabinet ministers. The central organization has not gone deeper into the question of recruiting for prime minister and party chairman, such as was recently done according to sources inside the Hedmark Labor Party.

However, the AUF considers it important that the government always reflect the different trends in the party, and specifically that "youthful forces must have greater power." Jagland said in his speech that the only feasible way for the labor movement to advance is to function as a movement wherein different opinions and positions are represented both by the policies and the people.

That is seen by the AUF as the most important medicine for the party. And the planning work on their new program is being carried out. In his speech Jagland said, "This process must be seen as an ideological rearmament. All parts of the party must undergo a thorough political discussion both

with the view to the education of members and the establishment of a program with reasonable foundation in the people." AUF will furthermore demand principles more friendly to the environment in the new program which will be taken up at the next leadership meeting in 1981 [as published].

Thorbjorn Jagland also talked about AUF's relationship to Christianity based on the collision between the Christian People's Party and parts of the mother party in the election campaign. He spoke of the necessity of holding the flag of tolerance high and warned against compulsory christening, which various party platforms supposedly would result in. "We have been entirely too accomodating toward the Christian People's Party on this question, fearing to be stamped as an anti-Christian movement. Now the time has come when we must stay stop," explained the chairman.

Starting with the Christian day nurseries platform, he demanded that the Labor Party now have a showdown with the Christian People's Party. "When it is a question of the party's anxiety over the tendency toward disintegration in our society, we should first of all take our cooperative conservative partners to task. In all the countries which have a marked capitalistic society there is really a tendency toward prostitution, increased crime and abuse of resources," said Jagland.

He also warned against giving in to the demand for reformed recess in school. And he pointed out that the Labor Party will put forth several suggestions with a view to reducing the importance of grades in elementary schools.

In a statement from the leadership meeting it was announced that test drilling north of the 62d parallel can not be done in 1980 without a new political judgment based on the Mexico report. On the question of oil drilling in the north there is also a strong difference of opinion in AUF. During the debate last weekend viewpoints varied from a clear affirmative for drilling next year to the strongest skepticism.

AUF is also worried about the small voter turnout in the election and believes that voting by mail, as in Sweden, would lend itself to reducing the number of "sofa democrats." Furthermore the organization of school elections should be expanded, says the AUF leadership.

9287

CSO: 3108

CENTER CHRISTIAN PEOPLE'S PARTIES TO REASSESS STRATEGIES

Oslo AFTENPOSTEN in Norwegian 22 Sep 79 p 3

[Text] What conclusions will the Christian People's Party and the Center Party draw from their rather discouraging election results? They will be of great importance for developments on the national political level whether the main emphasis is placed on a "green" profile, or the flight of voters to the Conservative Party which must be stopped. And regardless of what comes out of the Labor Party's self-examination, the election results will be utilized to the maximum to try to drive a wedge between the conservatives and the two middle parties.

On every occasion, in the Parliament or out, it will be claimed that the Christian People's Party and the Center Party have suffered large losses as a result of the Conservative Party's grab. Further, the government party will try its utmost to show that the conservatives are drawing even more to the right in order to resist the recently growing Progressive Party. Such a trend, however, is not taking place.

The Labor Party itself stands before, or perhaps in the middle of, an extensive process where both policies and personalities will be subject to strict evaluation. It was no accident that the party's election campaign was full of uncoordinated and unwise tactical moves, denials and reversals. The whole thing was the result of a lack of policies on vital issues.

The voters must be recognized as having a clear desire for moderation--in government regulation, in school reform, in centralized housing policies, in initiative-destroying tax regulations, etc. But we will not learn for some time how the party will interpret its heavy losses.

It is said that the Labor Party does not object to turning over the power of government to others for a certain period of time. A cause for such a transfer, however, cannot be seen on the political horizon, and there is little reason to believe that the bourgeois parties will exert themselves to make this happen.

The Liberal Party is one of the parties which strengthened its position in the election, more than any polls had predicted. With a strong and fairly one-sided effort toward a "green" profile they overtly endeavored to win over a group of voters who otherwise probably would have swung over to other middle parties or perhaps to the Socialist Party of the Left. Besides, the Liberal Party has emphasized a third alternative and consequently has generally had as pragmatic and as unbiased a position as the candidates for chairman of the Labor and Conservative Parties.

A corresponding formula will hardly be chosen by the other bourgeois parties. The leadership specifies, and will continue to do so, that a declaration of willingness to form a three-party government--when the situation requires it--is seen as obligatory. In terms of sheer numbers the three bourgeois parties are too weak to be able to offer a real alternative government.

But the defeats of the two parties obviously call for a new appraisal of strategy. As far as the Center Party is concerned it should be clear that there is little to gain in voting on a front against the Conservative Party. Quite the contrary.

The Christian People's Party's largest problem with this election was probably that they lacked an issue relating to lifestyle which could bring them together. At the moment certain differences of opinion at the top are making themselves felt; whether the party should clarify its "green" position or try to regain its losses to the conservatives. That is also one of the problems facing the Center Party. And as soon as Parliament meets again for the debate on the speech from the throne and the budget it will be apparent which strategic choice has been made--and what the results will be, in terms of collective action or differences of position inside the bourgeois family.

But gradually as 1981 approaches the abortion law will again appear on the political order of the day, something the Christian People's Party will not wish to avoid. The decisive question will be whether the party will go so far in this matter that it will prevent a unified solution with what must be the Conservative Party's and the Center Party's concrete positions.

9287

CS0: 3108

LOSSES IN TOWNS WORRY CENTER PARTY LEADERS

Oslo AFTENPOSTEN in Norwegian 25 Sep 79 p 3

[Text] The Center Party has lost local strongpoints and local influence. Nearly 30 seats were lost in Hedmark alone, where the party should have had fertile territory. But the party leadership is equally disturbed over the developments in the towns. The chairman and parliamentary leader, Johan J. Jakobsen, told AFTENPOSTEN that a strategy for the Center Party's town policies will be developed. This sensitive question will be taken up at the meeting of party leaders on 12 October.

An important part of the background for this are the defeats in several large and middle-sized towns, including Oslo, where Arne Haukvik must step aside for the next 4 years.

"Not only have we lost the election in several cities, but the tendency was also weak in many small towns and built-up areas of the country. This will be discussed at the regular meeting of party leaders with a view to developing a strategy," said Johan J. Jakobsen.

Jakobsen emphasized that the party has no intention of giving up in the towns. Before the plans for a new campaign are worked out in detail, an analysis of the election must be thoroughly studied. Answers must be found for many of the questions which are raised by the local election. The analysis which was made after the Center Party's defeat 2 years ago showed that of each five voters who left the party, three went over to the Conservative Party, one to the Christian People's Party and one to the Labor Party.

Jakobsen said, "I do not deny that we may have lost votes over the license law matter at the time of the parliamentary elections in 1977, but I find it hard to believe that we lost further votes over that business in the local election this year. This situation will not be the theme for the meeting in October. We are, however, very concerned about the obvious weakening of our local influence in several places."

Local organizations will immediately be involved in the discussion of the election result. In spite of everything Johan J. Jakobsen believes that the election result is rather encouraging, because future indications are favorable.

"The election result in Hedmark is neither better nor worse than in the parliamentary election, even if there will be fewer representatives in many municipal governments," he said.

9287

CSO: 3108

PIPELINE LINKING STATFJORD TO EKOFISK CONTEMPLATED

Oslo AFTENPOSTEN in Norwegian 18 Sep 79 p 31

[Text] Regardless of how many great discoveries are made in the North Sea this summer, it is the Statfjord field and the oil production there which is the key to a collecting pipeline for gas to the continent or Britain. Such a pipe must be ready by 1984 or 1985, otherwise there will be unfortunate consequences for oil production at the Statfjord field. A collecting pipeline can be worth a total of about 40 billion kroner to Norwegian industry.

The question is actually not how large quantities of gas are found. The question is if a large enough quantity has been found to justify a gas pipeline from the Statfjord field.

The reason why production at Statfjord is the key to a pipeline is simple. The first years the gas can be moved back to reservoirs, but after a time this gas will block oil production. It is assumed that this will happen by 1985 or perhaps before. Before that time there will be possibilities to utilize the gas.

The Pipeline to Ekofisk

It can be assumed that it will not be acceptable to burn the gas at the Statfjord field. Nor can any of the existing pipelines in the area (Brent or Frigg) be used because their capacity is fully utilized on the British side. Besides, the British are conducting a preliminary study of a third pipeline alternative from the northern part of the North Sea.

The only alternative seems to be a pipeline southward to the Ekofisk field. But with the known quantities of gas (Statfjord, Heimdal and Sleipner) of about 170 billion cubic meters such a pipeline, loosely calculated at 15 billion kroner, is not going to be profitable.

An alternative could be to lay a separate pipeline to Britain, but that is not an attractive idea. The British gas market is no longer very interesting, and obviously too large dependence on Britain is undesirable.

Planning Soon

Neither Minister of Oil and Energy Gjerde nor others can tell at the present time if a find of one or ten times Frigg (about 200 billion cubic meters) has been discovered this summer. That is where the judgment comes in.

But that is not altogether so important because there are indications that there is gas in the areas through which such a pipeline would pass if it is laid down near Ekofisk.

The question is also whether it is already now too early to begin preparing for such a pipeline. According to the experts the answer is clear: preparations should begin now. And again the oil production at Statfjord is the key.

But before planning can begin, two things must be known: who will be the purchaser, and where will the gas be taken ashore. Gas cannot be handled the same as oil—it can not be stored over a long period of time. When one sells gas, one also in reality sells a transportation system.

Also for a third reason it is necessary to have an answer as to who is buying the gas and where it is to be put ashore, and again the Statfjord field is the key: it concerns the development of the C-platform.

Twenty Billion Kronor Pipeline

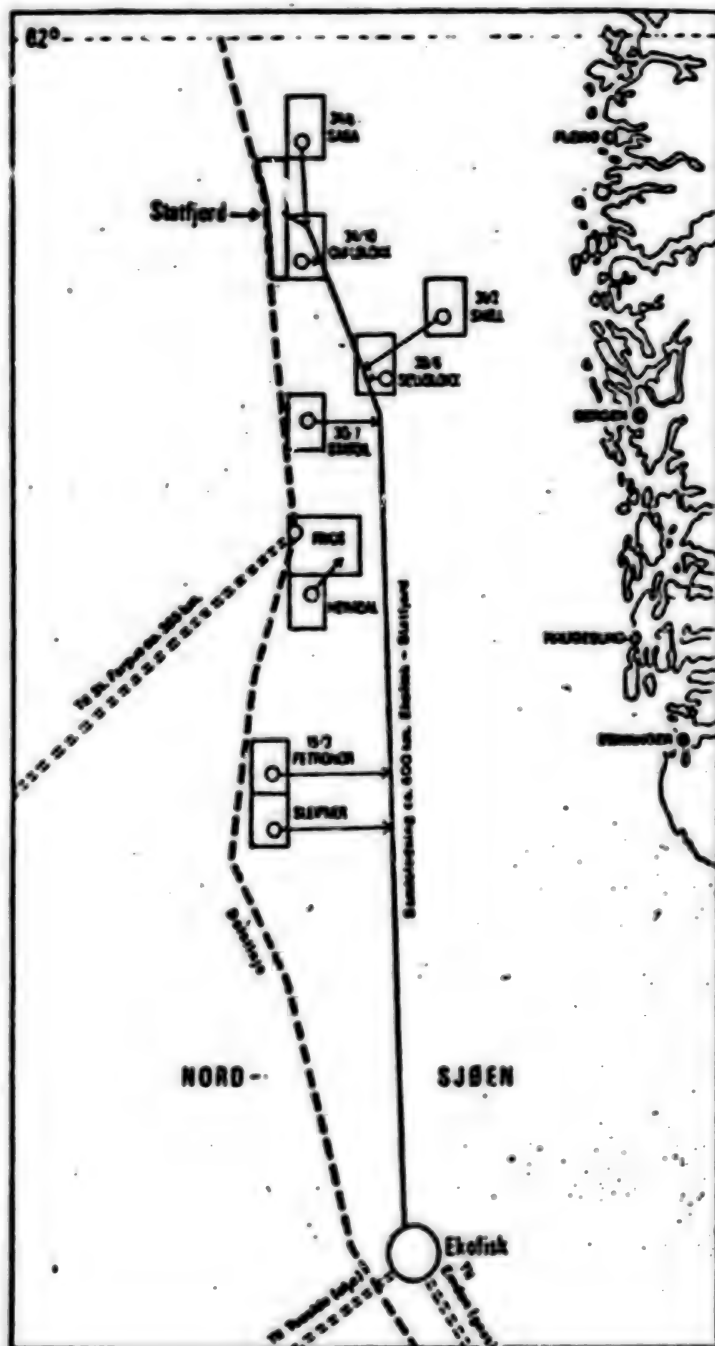
A collecting pipeline from the Statfjord area to Ekofisk will be about 600 km long. In addition there will be branches to a number of fields which now are under development and which are known or assumed to contain gas which can be transported in a collecting pipeline. The cost of the pipeline and its branches can generally be estimated at about 20 billion kronor.

But that is not all. In addition there will be the development of the fields which will be connected to the pipeline. Currently these are estimated at about six or seven blocks, where gas and/or oil are either proven or where they are expected to be proven. Development of these fields can quickly reach a similar amount, around 20 billion kronor.

The capacity of the pipeline is not the most important element of starting planning now. A relatively modest dimension can be assumed, and by that means regulate the development of the individual fields. It has the obvious advantage that the jobs can be spread around Norwegian machinery industries over a longer period of time.

A much more interesting question is who will finance such a pipeline. The countries on the continent are willing to join in the financing of the project, so it can hardly be a problem. More likely it will be a cooperative corporate venture. One thing seems obvious: the Norwegian government must dominate the picture in order to control and decide which fields will be developed and joined with the pipeline within certain time periods.

Construction of such a pipeline will most likely have repercussions in Norwegian industry into the 1990's. We know the technology, we have the capacity in our factories--and something that is equally important--Norwegian industry is beginning gradually to become economically competitive.



There are a number of smaller fields which can be connected to a collecting pipeline for gas. In addition there will be blocks which are not yet proven but which probably contain meaningful quantities of gas.

STUDY OF FOREIGN INVESTMENT IN PORTUGAL PROVIDED

Investment Sources

Lisbon JORNAL DA ECONOMIA supplement to JORNAL NOVO in Portuguese 14 Sep 79 pp 6, 7

[Text] During the first half of 1979, the Foreign Investment Institute (IIE) authorized 122 Direct Foreign Investment (IDE) requests for a total of about 1 million contos.

In the same period of 1979 [sic; probably should read 1978], the IIE authorized 44 IDE requests for a total of 608,700 contos. This means a 177 percent and a 65 percent increase, respectively.

Concerning the structure of the authorization in the first half of 1979, the requests authorized were small sized and medium sized, with 88.5 percent of the total in ranges up to 20,000 contos. This trend had already appeared during 1978.

Above 40,000 contos, 5 projects were authorized, responsible for almost one-third of the authorized IDE. In 1978, 12 projects were authorized, amounting to 65 percent of the total authorized.

In addition, the number of small-sized and medium-sized projects amounted to 38 percent of the authorized total, in the first half of 1979, and, in 1978, it was only 23 percent.

The average amount of authorized IDE was higher, in the first half of 1979, than in 1978, with the exception of the category of projects higher than 60,000 contos.

Source of Capital

Over 70 percent of the IDE requests authorized during the first half of 1979 were concentrated in the areas of European free trade, EEC and EFTA. This trend had been recorded in the same period of 1978. See Table I.

In the first half of 1979, EEC countries contributed over 405,000 contos to 62 authorized IDE requests, equal to 40.4 percent of the total amount authorized. France contributed 205,600 contos, or over half the total amount of authorized IDE in the first half of this year for EEC countries.

EFTA, which represented 53 percent of the total amount of authorized IDE in the first half of 1978, recorded only 35.8 percent in the same period this year, although it has recorded a small increase in value. It should be pointed out that Switzerland, with 350,000 contos, contributed to almost the total authorized direct investments.

If the source of capital is analyzed in accordance with size of the projects, it is seen that, during the first half of 1979, the amount authorized for projects above 40,000 contos came mostly from the EEC and EFTA (close to 86 percent). The types of operations most common in the first half of 1979 were an increase in capital in 36.1 percent of the requests, followed by the total or partial acquisition of enterprises in 28 percent of the requests and the establishment of new enterprises in 26.2 percent of the requests.

In comparison with the same period of 1978, these figures reflect a decline in the weight of increases in capital and establishment of new enterprises, amounting to 50 percent and 32 percent of the authorized requests, respectively.

With regard to authorized amounts, increases in capital equalled 63.2 percent of the total authorized IDE (close to 632,600 contos). Partial or total acquisition of new enterprises with 219,000 contos far exceeds establishment of new enterprises (130,600 contos). Acquisition of enterprises, which did not exceed 3 percent in 1978, reached over 20 percent in 1979.

[Tables I and II follow]

TABLE I
Authorized Direct Foreign Investment [IDE], 1st Half 1979
Source Countries
(in 1,000 escudos)

	Authorized IDE				Number of Authorizations			
	1978 (1st half)		1979 (1st half)		1978 (1st half)		1979 (1st half)	
	Amount	%	Amount	%	No	%	No	%
EEC	220,324	36.2	405,230	40.4	24	54.5	62	50.8
Belgium	13,399	2.2	15,032	1.5	1	2.3	4	3.3
Denmark	--	--	25,244	2.5	--	--	4	3.3
France	140,786	23.1	205,625	20.5	3	6.8	13	10.7
Holland	13,650	2.2	59,902	6.0	4	9.1	8	6.6
Italy	500	0.1	333	0.0	1	2.3	1	0.8
Luxemburg	--	--	5,300	0.5	--	--	1	0.8
UK	6,050	1.0	45,810	4.6	3	6.8	10	8.2
FRG	45,939	7.6	47,984	4.8	12	27.3	22	18.0
EFTA	322,593	53.0	358,068	35.8	13	29.5	29	23.8
Norway	65,600	10.8	4,500	0.5	3	6.8	1	0.8
Sweden	5,750	0.9	3,500	0.3	2	4.5	1	0.8
Switzer- land	251,243	41.3	350,068	35.0	8	18.2	27	22.1
Spain	3,090	0.5	62,716	6.3	4	9.1	13	10.7
Canada	36,405	6.0	2,300	0.2	1	2.3	1	0.8
USA	14,910	2.4	88,143	8.8	7	15.9	12	9.8
Japan	--	--	20,500	2.1	--	--	2	1.6
Others*	11,400	1.9	64,648	6.4	2	4.5	8	6.6
Total	608,722	100.0	1,001,605	100.0	44	--	122	--

*Includes Liechtenstein, Bermuda, Saudi Arabia, Panama, Cyprus, Brazil, Venezuela and Cayman Islands.

Source: IIE

TABLE II
(in 1,000 estuados)

IDE CATEGORIES	EEC		(1st half 1979)		1978		EFTA		(1st half 1979)		1978		Spain	
	Amount	% ¹	Amount	% ¹	Amount	% ¹	Amount	% ¹	Amount	% ¹	Amount	% ¹	Amount	% ¹
0-100	51	--	192	--	20	--	148	--	--	--	--	--	--	--
100-5,000	73,184	8	80,860	20	27,898	5	33,294	9	15,680	34	19,840	32	19,840	32
5,000-20,000	177,371	28	84,319	41	17,500	8	64,545	27	18,520	74	21,376	66	21,376	66
20,000-40,000	100,470	39	116,387	70	65,000	20	88,956	52	11,816	100	21,500	100	21,500	100
40,000-60,000	186,686	59	53,472	83	48,804	28	--	52	--	--	--	--	--	--
> 60,000	370,603	100	70,000	100	406,292	100	171,125	100	--	--	--	--	--	--
Total	Amount	% ²	405,230		565,514		358,068		46,016		62,716		62,716	
			47.9	40.5	30.0	35.7			2.4		6.3		6.3	

TABLE II (continued)

	United States		Others ³		Total	
	Amount	% ¹	Amount	% ¹	Amount	% ¹
0-100	--	--	--	--	71	--
100-5,000	13,524	5	8,665	10	137,886	7
5,000-20,000	25,910	14	50,000	67	287,935	23
20,000-40,000	12,593	19	28,100	98	230,125	35
40,000-60,000	--	19	--	98	235,490	47
> 60,000	225,000	100	1,378	100	1,001,895	100
Total	Amount	% ²	88,143		1,893,402	
			14.6	8.8	100.0	100.0

Source: IIE

¹ Cumulative percentages

² Percentages in the total line

³ Includes Liechtenstein, Bermuda, Saudi Arabia, Kuwait, Panama, Cyprus, Brazil, Venezuela and Cayman Islands.

Areas of Investment

Lisbon JORNAL DA ECONOMIA supplement to JORNAL NOVO in Portuguese 17 Sep 79
pp 3, 6

[Text] JORNAL DA ECONOMIA concludes, today, publication of some of the data analyzed by the Foreign Investment Institute pertaining to IDE [Direct Foreign Investment] authorized in the first half of 1979.

The services and manufacturing industry sectors were responsible for 43 percent and 40 percent, respectively, of the authorized requests, in the period involved. In terms of value, the manufacturing industry was responsible for 59 percent and services for close to 31 percent of the total authorized IDE.

In the period being examined, 79 percent of the authorized IDE was achieved by importing foreign exchange.

Acquisition of enterprises and establishment of new enterprises were operations financed almost entirely in this way. Increases in capital, amounting to 28 percent, were financed in other ways.

Activity Areas

In the first half of 1979, the services sector was responsible for 43 percent of the authorized projects, the manufacturing industry for close to 40 percent, agriculture and fishing for 12.3 percent and extractive industries for 3.3 percent. In the same period of 1978, the manufacturing industry was responsible for 45 percent, the services sector for 41 percent, agriculture and fishing for 2.3 percent and extractive industries for 4.5 percent of the authorized projects.

In terms of value, the manufacturing industry was responsible for 59 percent of the IDE authorized in the first half of 1979 and for 43.5 percent in the same period of 1978.

The increase in investment in agriculture, which went from 1 percent in 1978 to almost 8 percent in 1979, should be pointed out.

The weight of the chemical industry with 14.3 percent of the total IDE in the first half of this year, the basic metallurgical industry with 11.7 percent and the metalworking industry with 15.1 percent should be pointed out in the manufacturing industry sector.

Wholesale trade had the greatest weight in the services sector in the total amount of investments with 15.1 percent.

The Foreign Investment Institute provides statistical data on the IDE authorized in the first half of this year by relating investment in the various activity areas with project size.

The following are the principal conclusions drawn by the IIE:

Every project above 20,000 contos authorized in the first half of 1979 was for the manufacturing industry (chemical, basic metallurgical and metal-working) and for trade, hotels and restaurants (wholesale and retail trade).

The manufacturing industry, which was responsible for 72 percent of large-scale projects in 1978, saw its share decrease to only 57 percent in the first half of 1979.

On the other hand, the trade, hotel and restaurant sector underwent an increase in its weight with regard to large-scale projects: from 12 percent to 43 percent.

In the manufacturing sector, medium-sized projects attained a prominent position, contributing 40 percent of the IDE amount in that sector. At the same time, the share of large-scale projects did not reach 35 percent. This size structure differs considerably from what was observed in 1978, when projects over 40,000 contos represented over 70 percent of the authorized amount.

Among the manufacturing industries, basic industries were the sector in which the weight of medium and large-scale projects proved to be most pronounced, both in 1978 and 1979. In turn, under the residual heading of "Others" (including primarily light industries), smaller sized projects predominated in both periods in question.

In the trade, hotel and restaurant sector, the share of small-sized and small to medium-sized projects remained the same as in 1978. A decrease is observed, however, in the relative position of the category of 20,000-40,000 contos to the benefit of large-scale projects.

Finally, the increase in weight of the agricultural sector in the total IDE did not result from the existence of large-scale projects, but, rather, from a substantial increase in small projects (up to 5,000 contos) whose weight in the total amounted to 44 percent, compared with only 18 percent in the previous year.

Ways of Carrying Out Foreign Investment

In the first half of 1979, 79 percent of the authorized IDE was carried out by importing foreign exchange, while, in the same period of 1978, it did not reach 70 percent.

Acquisition of enterprises and establishment of new enterprises were financed almost entirely by means of importing foreign exchange, 95 percent and 83.4 percent, respectively. For increase in capital, 28 percent of the financing obtained funds by other methods, especially by incorporating reserves.

In its analysis of the ways of carrying out financing according to project size, the IIE points out two very important aspects:

In the first half of 1979, all the large-scale projects authorized involved importation of foreign exchange. This did not occur in 1978, because three of the seven largest projects were financed in other ways.

Concentration of projects that do not include movement of foreign exchange on the lowest levels (53 percent up to 20,000 contos) and less relative weight of the other methods of financing in comparison with 1978 (21 percent against 43 percent).

TABLE III
Authorized Direct Foreign Investment, 1st Half 1979 (in 1,000 escudos)
Activity Areas

Activity Area	Direct Foreign Investment				Authorizations			
	1978 1st half		1979 1st half		1978 1st half		1979 1st half	
	Amount	%	Amount	%	No	%	No	%
11 Agriculture, hunting	5,750	0.9	76,363	7.6	1	2.3	14	11.5
13 Fishing	--	--	4,969	0.5	--	--	1	0.8
23 Metal mineral extract.	2,400	0.4	11,527	1.2	2	4.5	4	3.3
29 Nonmetallic mineral extraction and industrial rock	320	0.1	--	--	1	2.3	--	--
31 Food industries	1,500	0.2	--	--	1	2.3	--	--
32 Textile, clothing, leather industry	--	--	53,376	5.3	--	--	7	5.7
33 Wood, cork industry	--	--	21,422	2.1	--	--	3	2.5
34 Paper industry	--	--	50,100	5.0	--	--	6	4.9
35 Chemical industry	155,275	25.5	143,273	14.3	6	13.6	7	5.7
36 Nonmetallic mineral products industry, except crude oil and coal byproducts	--	--	1,350	0.1	--	--	1	0.8
37 Basic metallur. ind.	182,688	30.0	117,472	11.7	3	6.8	3	2.5
38 Manufac. of metal products, machinery, equipment, transportation equipment	45,290	7.4	198,638	19.8	7	15.9	21	17.2
39 Other manufac. ind.	3,440	0.6	7,000	0.7	3	6.8	1	0.8
50 Construct., public works	2,750	0.5	5,783	0.6	2	4.5	1	0.8
61 Wholesale trade	10,310	1.7	150,573	15.1	5	11.4	15	12.3
62 Retail trade	--	--	53,429	5.3	--	--	3	2.5
63 Restaurants, hotels	87,129	14.3	61,612	6.2	5	11.4	13	10.7
71 Transportation, storage	--	--	8,822	0.9	--	--	3	2.5
81 Banks, other monetary and financial institu.	90,000	14.8	--	--	1	2.3	--	--
82 Insurance	--	--	1,750	0.2	--	--	1	0.8

[Table continued on following page]

TABLE III (continued)

Activity Area	Direct Foreign Investment				Authorizations			
	1978 1st half		1979 1st half		1978 1st half		1979 1st half	
	Amount	%	Amount	%	No	%	No	%
83 Real estate transactions, services performed for companies	20,220	3.3	31,716	3.2	5	11.4	16	13.1
94 Recreational, cultural services	1,650	0.3	150	--	2	4.5	1	0.8
95 Personal, domestic services	--	--	2,280	0.2	--	--	1	0.8
Total	608,722	100.0	1,001,605	100.0	44	100.0	122	100.0

Source: IIE

10,042

CSO: 3101

DEBATE ON PROBLEMS, ISSUES FACING EUROCOMMUNISM DISCUSSED

Madrid MUNDO OBRERO in Spanish 30 Sep 79 p 4 LD

[Unattributed report: "Debate Organized by NUESTRA BANDERA; Eurocommunism as the Solution to the Crisis"]

[7xt] With all seats taken and people standing at the back of the hall, the PCE festival debates organized by NUESTRA BANDERA began yesterday. The turnout and anticipation were more than justified by the subject and the speakers who opened the debate. The following spoke from the table on the central question of Eurocommunism: Heinz Timmermann, the German social democratic historian and researcher; Manuel Ascarate, PCE official in charge of international relations and editor of NUESTRA BANDERA; Aldo Tortorella, PCI leader and editor of the PCI theoretical JOURNAL CRITICA MARXISTA, and Antonio Gutierrez Diaz, secretary general of the Unified Socialist Party of Catalonia.

After introducing the participants, Valeriano Bozal, chairman of the debate, read out a telegram from the French socialist leader Claude Estier, who apologized for his absence owing to the need to attend sessions of the European Parliament. Claude Estier's absence was, however, only partial as an extract from his speech, which he had sent to the NUESTRA BANDERA editors, opened the debate and provided many reference points for the other participants.

After repeating the definition of Eurocommunism given by the communist theoretician Elleinstein, attempting to reconcile communism and democracy, Estier stated that the PCE, in his view, had pioneered the search for that new path, while the PCI had gotten most involved in its practical realization. French communists, Claude Estier declared, proclaimed themselves Eurocommunists much more recently. The French socialist leader said that profound differences existed between the PCE and the PCI on the one hand and the PCF on the other, especially with regard to Europe, and the lack of coordination between these forces, he said, creates great skepticism over the existence of Eurocommunism.

The first of those present was the social democrat Heinz Timmermann, who, after emphasizing the personal nature of his presence at the debate, pointed out that the present crisis obliged socialist democratic forces to rethink

the paths of social change, and clearly advocated a gradualist strategy, which he said was the only possible one on our continent. He went on to state what, according to his analysis, were the new elements which the left would have to face: The need to strengthen control of power, with the possible transfer of some economic sectors to public ownership; state intervention to guarantee workers' rights and reorientation of development; a brake on disproportionate growth in state activities which could result in centralization and bureaucracy.

Manuel Azcarate referred to the present European situation characterized by a crisis which is probably the most profound ever known and which also affects political and ideological values. Stemming from this crisis, Azcarate said, is a rightwing threat which must be countered with the alternative of a progressive solution. Faced with the crisis, Eurocommunism cannot limit itself to asserting democracy but must respond to the economic and social problems and to new questions of tremendous importance, such as women's liberation, ecology and the achievement of a new approach to nature, culture and what has come to be called the rebellion of youth. In short, according to Azcarate, it is a question of the need to transform society's way of life.

Azcarate centered his speech on the theme of the chasm which exists between the developed and the underdeveloped world and stated that the value of Eurocommunism had to be analyzed from a situation in which Europe is the only part of the developed world to have within itself the factors capable of transforming international relations.

With regard to the differences among Eurocommunist parties he said that they proved it is not a question of a tactical maneuver but of a great historic process, which we are at the start of, and he reaffirmed the central significance of relations between communists and socialists for the advance of democratic forces and as a response to the offensive from the right.

"Today we need a new form of relations in the world and a new form of economy in developed countries," Aldo Tortorella said. "Developed capitalism has arrived at purely quantitative, necessary development, but insufficient to resolve mankind's problems today." According to Tortorella, it is necessary to introduce public economic planning to secure qualitative development which would raise living standards and the level of civilization. The Italian leader ended with an analysis of the need for a common effort by socialists and communists so that Europe, while respecting alliances established by each country, can contribute to surmounting the crisis. Like all the other speakers, Tortorella advocated enlarging the EEC and emphasized the contribution which Spanish communists and socialists will have to make to this task.

The round of speakers was closed by the secretary general of the Unified Socialist Party of Catalonia, who summed up his speech with four fundamental points: the existence of a rightwing orientation in West European politics, society and economics, and orientation which cannot be limited to election

results; "The left," Antonio Gutierrez said, "at present offers no global solution and is thus on the defensive"; unity of leftwing forces is fundamental in this sense and can only be achieved through a self-critical process in which all its components review their policy of alliance. Finally, Gutierrez Diaz emphasized the importance of our incorporation in the European Parliament, in which the dialog among democratic forces must be combined with an effort to broaden basic democracy.

CSO: 3110

FURTHER SPANISH PRESS COMMENT ON CARTER'S CUBA POLICY

[Editorial Report LD] Madrid YA in Spanish 5 October 1979 publishes on page 7 an editorial on U.S. President Carter's response to the alleged presence of a Soviet combat brigade in Cuba which, after noting the likely influence of the coming presidential election campaign, maintains that "Carter's ability to induce Moscow to withdraw its combat brigade of about 3,000 men from Cuba cannot be great." It adds: "The alternative? To increase the U.S. presence in the Caribbean in response to the Soviet decision, despite explicitly recognizing that the Soviet combat troops in Cuba constitute no threat to the United States. It seems clear that Carter, amid hesitation and indecision, has opted for contradiction in his desire to 'Preserve peace and reduce the danger of a nuclear war, because to resort to retaliation against the USSR, as the conservative political sectors in the country were demanding, would have meant falling into the hidden trap which the presence of this contingent of Soviet troops on the Caribbean island represents for Washington.'"

It concludes: "Carter had no option but to make some kind of response to the Soviet 'challenge' and to counteract the USSR's political and military presence in this always sensitive Caribbean area, but adding to the military imbroglio in the region means to some extent a new cold war period between the United States and the Soviet Union. As a result, the entry into force of the SALT II agreements on nuclear arms limitation between the two superpowers is left, if not in suspense, then in question, while awaiting the necessary detente which will make them possible."

Barcelona LA VANGUARDIA in Spanish 7 October 1979 publishes on page 21 a Carlos Nadal commentary on the same topic, which maintains that to some extent "Castro's version that the crisis which has arisen over this matter is 'artificial'" is correct, although "it certainly is not artificial if we view it in a broader context." It asserts that "it is Brezhnev who has placed Carter in a highly uncomfortable position by refusing to continue to discuss this matter, as a result of which the U.S. President must seek solutions through subterfuge--in fact, artificial solutions to an artificial crisis." It continues: "He must appear to make decisions and take action, without doing anything really effective, since the Soviets and

Castro have not even enabled him to 'save face,' even in appearance, that is why the U.S. President satisfied nobody with his 2 October [as published] address. It is not convincing to say that the presence of Soviet troops in Cuba is far from constituting a threat to the United States and then to state that he is preparing to adopt special military measures in order to preserve peace. It seems inconsistent to describe the presence of Russian troops in Cuba as "intolerable" at the time when this issue started to be stirred up and now to accept that the matter remains unresolved and state that in any case it can in no way constitute a real danger of a return to the cold war."

It maintains: "The crisis--the real crisis--lies in the fact that relations between the two superpowers have lost the special nature which had characterized them since the beginning of 'peaceful coexistence.' There is a failure to restore the 'atmosphere' of detente, despite the meeting between Brezhnev and Carter in Vienna and the signing of the SALT II treaty. And so Carter has been confronted in the Cuba issue with an incidental problem, but one which stems from a basic crisis which is not exactly 'artificial.' Washington should conduct a foreign policy adjusted to the real situation of our time, with the foresight, resolve, opportuneness and consistency which this entails, and do so in each specific case, both in the Caribbean and in the Indian Ocean, the Middle East and Africa, with the approach required by the specific conditions of place and time but within the framework of an overall view."

CSO: 3110

SPANISH PAPERS SEE 'HYPOCRISY' IN CASTRO'S UN REMARKS

[Editorial Report LD] Spanish newspapers published 14 October 1979 carry editorials on Cuban President Castro's speech at the UN General Assembly.

Madrid EL PAIS notes on page 10 that Castro's appearance at the United Nations follows his attainment of leadership of the nonaligned movement, and adds: "The objections which should be made to his remarks concern his personal policy, certain living conditions in his country and the reality of that leadership rather than the content of his speech." After praising Castro's oratory, it comments: "However, Fidel Castro would have to have behind him a freer nation than he does and a greater distance from the USSR than he is able to keep in order to really become a world leader." Although maintaining that "mistaken pressure from the United States" "has created a police state on the one hand, and a need for economic dependence on the USSR on the other." It adds: "But this cannot continue to serve for much longer as a pretext to justify scant regard for human rights, a set of embargoes on public freedom; and the holding of prisoners for many years."

Madrid ABC interprets Castro's speech as an attempt to present a new image, and asks: "But how can the pacifism of what Castro proposes be reconciled with the belligerency of his own troops, which he has scattered on a revolutionary combat mission throughout Africa? Is it only U.S. and Western military expenditure which are blocking and impeding the financing of the economic solutions demanded by the hunger of the majority? In order to accept the assertions made by Castro to the United Nations, the implicit contentions and all the corollaries of his diagnoses, it would be necessary to accept in advance that the military expenditure of the USSR—with internal and external satellites and with problems of undernourishment among its nationals—is absolutely irrelevant; rather as if economic laws applied only to the free and capitalist world and not to the socialist world, as having surmounted all the contradictions stemming from the conflict between the limited nature of resources and the unlimited nature of social and world demands for their allocation."

It adds: "Fidel Castro's formal moderation at the United Nations concealed a torrent of abundant and Manichean hypocrisy."

SPANISH PRESS CONTINUES COMMENTING ON CASTRO UNGA SPEECH

[Editorial Report LD] Spanish newspapers published 14 October 1979 carry further editorials commenting on Cuban President Castro's speech at the UN General Assembly.

Barcelona LA VANGUARDIA notes on page 7 that Castro did not refer to such issues as the alleged presence of a Soviet combat brigade in Cuba or the presence of Cuban troops in Africa: "He did speak of the enormous sums invested in military expenditure in our world, but refrained from commenting on the critical situation of confrontation between two political and ideological blocs in which he himself 's taking an active part." The paper asserts that it is very clear "that the Cuban leader very skillfully took advantage of the opportunity afforded him to project an image of himself, the regime which he has created and heads and his aims as leader of a revolutionary process, not mentioning, on the one hand, the fact that he himself and his country are fully involved at the hub of the tension driving the arms race, and, on the other hand, placing on only one side all the blame for diverting toward preparations for war the money which could remedy a good deal of the enormous needs of '400 million hungry people.'" Maintaining that it is obvious that Castro will not fail to exploit the opportunity afforded by his position as head of the nonaligned movement, it adds: "He is in the process of emerging from the isolation in which the United States kept him by means of the economic boycott and military blockade and is preparing to play a major international role."

Madrid MUNDO OBRERO stresses on page 5 that "Castro placed emphasis in his speech, in our opinion, on the issues particularly affecting the countries of the so-called Third World and their situation with respect to the developed countries." It asserts:

"The response which the Cuban leader's speech has produced in the Spanish press emphasizes that not only its enormous logical and emotional strength but also its enormous realism have been perceived from the most diverse viewpoints."

CSO: 3110

ON-HAND OIL RESERVES REPORTED TO BE UNACCEPTABLY LOW

Madrid EL PAIS in Spanish 1 Sep 79 p 27

[Text] Reserves of crude oil and derivatives continued to be a serious problem for Spain during the month of July, and, as a result, strategic reserves of energy products declined notably, and are not now sufficient for more than 53 days of consumption, a period slightly over half the 100 days which the International Energy Agency (AIE) considers to be a minimal acceptable period of strategic reserves.

At the end of the month of July, total crude and refined products stood at 6.8 million tons, an amount less than the 7.1 million tons stored during the same month in 1978, according to figures compiled by the Energy Studies Center. These reserves represent a normal consumption period of 53 days, when taken together, even though gasoline reserves were higher (sufficient for 88 days), as were those of gas-oil (82 days) and fuel oil (77 days).

Among reasons given by the Center for this decline in the so-called strategic reserves was the unusual situation hindering the oil market. This irregularity was particularly notable during the first 6 months of the year, which coincided with the reduction in the exportation of Iranian crude owing to political factors in that country.

It is significant that, during the first half of the year, the majority of petroleum-consuming countries increased their purchases in anticipation of a hard winter, especially the United States. This greater purchase of crude aggravated the supply deficit and provoked, inevitably, a sharp increase in prices. In Spain, however, it seems that no special measures were adopted to cover this deficit in supplies.

According to information released yesterday by the Energy Studies Center, on-the-spot open-market prices have begun to spiral again at the end of July and the beginning of August, after having registered a significant decline at the beginning of July. This decline in prices was partially provoked by the lower crude oil prices decided on by OPEC last 28 June, which relatively stabilized the open market structure which had, in fact existed previously.

Within this context, special attention has been paid to a contract recently signed in London for 100,000 tons of Arabian light crude at \$34.00 per barrel. This price, for this kind of crude, represents almost twice its real cost; that is, the \$18.00 per barrel decided on by OPEC last June.

According to the interpretation of some experts, it is possible--should the instability of the open market return--that the OPEC countries might convene a special session of ministers in September to revise the structures of prices set in June.

Other experts, however, feel that unless the dollar falls significantly in the next few days, it is unlikely that this meeting will be called. In fact, the Saudi Arabian petroleum minister, Sheikh Yemani, on announcing in June the coming OPEC meeting to be held in Caracas in December, denied that an eventual meeting in September had as its goal a new restructuring of prices.

In this regard it should be added that the open market represents barely 10 percent of the world petroleum market, although, as a consequence of the Iranian crisis, it came to have greater importance. For some countries, like the FRG and Japan, the on-the-spot market occasionally took on an unaccustomed importance, covering up to 40 percent of energy needs.

At the beginning of August, open-market prices of Arabian light were holding around \$31.00 per barrel, and toward the end of the month around \$34.00 per barrel, while Arabian heavy went from \$26.50 a barrel (official price \$17.70) to \$30.75 per barrel. For its part, Iranian light went from \$31.00 to \$34.00 (official price, \$22.00).

Demand Increases

The Energy Studies Center has another serious reason to offer for the decline in strategic crude oil reserves in July. According to this organization, the serious decline in electrical production by hydroelectric plants during June and the first part of August (owing to the drought) resulted in increased use of fuel oil in (fuel-burning) electrical power generation plants.

In fact, the consumption of fuel oil during the first 2 weeks of August showed an increase of 11.7 percent over the same period of the preceding year. According to the Energy Studies Center, a subsidiary office of the Energy Ministry, the marked increase in fuel-oil consumption, at today's prices, points up the need to construct immediately the new nuclear power plants recently approved by the government.

9077
CSO: 3110

TOURISM INDUSTRY OPTIMISTIC, GREATER EARNINGS EXPECTED

Madrid ABC in Spanish 26 Aug 79 p 27

[Text] Javier Bas, general director of Tourist Activities and Enterprises, who is vacationing in Mallorca, has stated in a press conference that foreign exchange income at the end of this year will be greater than that in 1978," adding that "the present tourist season does not permit us to know what our exact position is and what our plans will be."

The general director of Tourist Activities and Enterprises does not see the present year as inferior to last year, which registered the highest statistics in the history of Spanish tourism, nor does he believe that 1980 will see a setback--quite the opposite.

In regard to current legislation governing tourism in our country, Mr Bas stated that "it is currently restrictive as far as hotels are concerned, and it is necessary to work toward the future with more liberal criteria."

Referring to the next general assembly of tourism, which will be held 6 and 7 September in Torremolinos, he stated that "in the tourism sector there are no lost battles: everything can be proposed and repropoed--hotel owners have a right to fight for what they think is just."

In regard to the casinos which have proliferated in the last few months, Mr Bas is of the impression that "when the Spaniards stop playing and the tourists start playing, it could turn out to be profitable for Spain, but at the moment the only players, or at least the biggest players, are Spanish."

Statistics

Germans and Moroccans are the foreigners whose visits to Spain declined most during the period January through July 1979, compared to the same period last year, according to statistics compiled by the State Tourism Secretariat. Specifically, there are 117,111 fewer Germans, and 108,564 fewer Moroccans.

Other noteworthy declines during the same period are represented by the Dutch (65,531 fewer), Belgians (63,464 fewer) and Swiss (57,000 fewer). As can be seen, these are Europeans, whose decline might be construed as alarming, since they are traditional tourists.

Against the losses, there are the increases, which should be point out. Occupying first place are the Portuguese, whose visits to our country have increased, during the January-July 1979 period, by 851,244. It should be remembered, however, that many Portuguese must cross Spain to arrive at other destinations. For their part, French tourists have increased by 97,577, and the English by 64,814.

Outside Europe

As far as tourists from the American continent are concerned, it should be pointed out that there was an increase in 16,515 Argentine and 10,315 U.S. tourists. Noteworthy from Asia is the increase of 3,240 Japanese and somewhat over 7,000 other nationalities. All together, the total increase of foreign visitors in the above-mentioned period is only 758,329.

July Data

Comparing July 1979 to July 1978 does not, in every way, inspire much hope, because during July a series of variations have occurred--downward, realistically considered. Thus, for example, we have stopped receiving somewhat more than 500,000 French, as well as 207,205 Germans. The most noticeable difference can be seen in the entry of Moroccans. While in July, 1979, 208,458 visited Spain, only 83,575 have come in July of this year; that is, 123,883 fewer. Let us add, however, that during July tourism in most traditional tourist countries has registered decreases, with the exception of Argentina (7,869 more), Mexico (3,205 more), Brazil (3,532 more), the United States (2,271 more), and Japan (1,046 more).

9077

CSO: 3110

WORKER ABSENTEEISM REPORTEDLY AT ALL TIME HIGH

Barcelona LA VANGUARDIA in Spanish 30 Aug 79 p 3

[Text] Madrid, 29--Labor absenteeism is reaching higher levels in Spain than in any other European country, to the point that, in the last 3 or 4 years it has jumped from 90 million hours per year lost by workers to 113 million. This information was reported in a nearly completed study being made by the Spanish Federation of Business Organizations (CEOE).

These 113 million lost hours, foreseen for this year, consist mostly of sick leave, which in thousands of cases, according to the president of the CEOE, is given indiscriminately in Social Security clinics.

This 113 million work-hour loss per year represents an increase of between 25 and 30 percent, especially when considering that the number of unemployed through strike stoppages is reaching 1.5 million persons.

Editor's Note: In regard to preceding years, according to official data from the Labor Ministry, between 1975 and 1978 there were 377,349,282 work hours lost through strikes, and there were almost 10 million affected workers. Broken down by years, it turns out that--as far as lost through strike stoppages is concerned--in 1975 there were somewhat over 42 million; in 1976 (the year in which their number peaked) almost 150 million; in 1977, almost 110 million; and in 1978, somewhat more than 76.6 million.

Concerning workers on strike: in 1975, somewhat more than 1 million were affected; in 1976, the peak year, more than 3.5 million; in 1977, there were fewer than 2.5 million; and finally, in 1978, the figure exceeded 2.5 million workers.

9077

CSO: 3110

VOTE RESULTS CONFIRM NORDIC CONSERVATIVE TREND

Born DEUTSCHE ZEITUNG in German 28 Sep 79 p 3

[Article by Erwin K. Scheuch: "Symbols Pointing to the Right"]

[Text] Erwin K. Scheuch is a sociologist at Cologne University and currently guest lecturer in Stockholm. The psephologist observed the series of elections in Scandinavia with obvious interest. His reading of the situation: Swedish parties are currently fighting their election campaigns by means of symbols--totally unrelated to real life. Their successes also must therefore be interpreted symbolically. Still, the drift is clear.

Wrong, in his opinion, is the assertion that extremists emerged victorious from the Swedish elections: Neither communists nor conservatives deserve this description. A trend rightward is quite evident.

Apparently nothing happened at the Swedish general and municipal elections. The three "bourgeois" parties can block the Social Democrats from returning as the government provided they are united--as they were in 1976. All parties who had failed before to achieve representation in the Swedish Parliament once again stumbled at the 4 percent hurdle set up by Swedish electoral law. Still, there are some signs of impending change.

Commentators asserted that the most evident phenomenon was the increasing strength of extremist parties. The regular communists this time received 5.6 percent of the vote, up from 4.8 percent; the so-called conservatives--at 20 percent instead of the former 15.6 percent--became the strongest party in the "bourgeois" camp. However, the term "extreme" is unduly strong for the conditions prevailing in Sweden. Here also the regular communists have long ceased to behave like extremists. Their former rambunctiousness has been assumed by the many communist splinter parties which abound especially at the universities. Despite their remarkable zeal none of these splinter parties got anywhere in the elections. And the party called conservative

in German decidedly repudiates this name: In Swedish it is called moderate; if it is more conservative than the CDU of Minister President Albrecht, that is not noticeable on the spot.

The Social Democrats, supported in Parliament by the communists, carried the Government of Sweden for 34 years straight. In 1976 they were replaced by a coalition of three rather disparate parties. Some of the reasons for this event were topical--such as the accusation that government agencies tended to be in a rut, or plans for further socialization. Due to Palme's advocacy of nuclear power Social Democrat votes were lost to the great beneficiary of that election--the more or less farmer-dominated center. Considered from the longer term aspect, though, 1976 was also and in fact primarily the consequence of the gradual drying up of the former politically ideal approval of the public for a Social Democrat-left liberal program. In the Erlander era the Social Democrats achieved election results of more than 60 percent, and it was possible to talk of a consensus--highly unusual in Europe--about the sociopolitical experiment.

In the 1970's Sweden's Social Democrats also experienced the intrusion in politics of the intellectual Bohemians. With Olof Palme they won a good deal of entertainment value for academics but suffered the slow and steady erosion of their majority. Finally the Social Democrats were able to stay in government only with the aid of the communists. The party leadership in fact regarded this as quite providential: The Swedish Young Socialists were grateful for this rather symbolic popular front. Since then the Social Democrats have not really had an alternative to this alliance with the communists who have gradually raised the price for cooperation.

Stockholm offers an example: In the municipal elections here Social Democrats and the Communist Party got a total of 49 seats, the same as the three "bourgeois" parties--the Center Party (farmer based), the Liberal Party and the Conservative (in fact moderate) Party. Added to these are three city councillors of the "Stockholm Party." This association with only 400 members was established about 3 months ago as an environmental party. Its outstanding program point so far has been the fight against cars in the inner city. These three environmentalists will now decide whether Stockholm is to be governed by the "bourgeois" or by the socialists.

An outsider might be tempted to ask why the Social Democrats do not form a coalition with the Center Party; at one time they used to cooperate and agree with it on many items in the program. By adding the Liberal Party to the coalition they would even achieve a majority, making them independent of the communists. However, such independence is simply not on the cards for the Social Democratic Party as now constituted. And the symbolic emphasis on rejection of the "bourgeois" camp appears currently to make it impossible for the Social Democrats to even discuss a centrist coalition.

The politics of symbols have generally managed to prevail. The major beneficiary of the elections will certainly not provide the prime minister.

Goesta Bohmann, leader of the Conservative Party, is actually proposing that Thorbjørn Faelldin, leader of the (farmers) Center Party (the major loser in the elections) should become the next prime minister of the alliance of the three nonsocialist parties. That proposal by the electoral victor is all the more remarkable because it was precisely Faelldin who, in 1978, broke up the alliance of the three nonsocialist parties and thereby condemned the government to become a minority government prevented from doing anything much. The reason again was rather symbolic: His refusal to accept the seventh and eighth Swedish nuclear reactors; shutting down existing reactors was not on the agenda. Bohmann as leader of the currently largest party in the alliance has not the slightest chance of being accepted by the other two parties. He and the moderates are considered too conservative, and Bohmann accepts this verdict.

At the moment there are not many distinctions between the three parties concerning the discussion of the political program. The divisive topic--nuclear power--, which the parties had been unable to integrate, has been passed to the voters: Next March a referendum is to decide the issue. All three parties advocate a social market economy and the basic welfare state; they consider the major evil the proliferation of bureaucracy. Debated at this time is the question whether taxes should be lowered or continue unchanged.

For symbolic reasons the Social Democrats are prevented from talking about an alternative to communist support; Bohmann as a symbol is subject to a taboo similar to that which at one time surrounded Franz Josef Strauss; taxation in turn is an issue of distinguishing symbolism just as much as the percentage of development aid.

At the same time the country certainly has problems which need to be tackled: The inflation rate is expected to double next year to 12 percent, and foreign trade is likely to go far into the red. That in turn will not be of much help to the krona (none too strong as it is) and lead to another rise in import prices. None of this, though, is mentioned in party politics. Even in the election campaign nothing much was said about definite proposals, though there was an absurd Social Democrat suggestion for taxing productivity gains.

Widespread Dissatisfaction

In the election campaign one Social Democrat poster stood out from all others. It displayed the well known French popular front rose, known in Germany as the symbol of the Young Socialists: A fist holding a stylized rose. In Sweden the fist had been removed, and only the red rose remained with the superscription: Sweden deserves its Social Democrats. Some 43.5 percent agreed. The Center Party's poster showed a little girl trailing her hand in water, the Liberals called for better schools, and the Moderates promised to do more for the family. They also went one better: In answer to the reproach that they were dismantling the social services, they used a photograph of the boat people fleeing Vietnam to ask: "What do you say now, Olof Palme?" Though Palme used to have much to say in praise of North Vietnam, he has avoided that topic for quite some time. Most of all the Moderates used the question: Freedom or socialism. And at once they were considered conservative-extremist --at least in the prevalent political climate.

This type of politics seems inadequately to reflect the widespread dissatisfaction of many Swedish voters. Admittedly, the splinter parties and new groups failed in the parliamentary elections, but they did have quite some success in the simultaneous municipal elections. Not that much changed below the line even in the municipal elections: Four "red city halls" in 40 Swedish cities will in future be governed by the bourgeois parties, 4 bourgeois city halls in 40 turned "red." But even such irresponsible groups as the Stockholm Party received enough votes to make them worth a mention.

There definitely is widespread dissatisfaction in this exemplary country of the humane welfare state. The prescriptions of the early reform era do not seem to work any more: Nothing much has come of the humanization of the work environment, even though conformism commands that failures be kept under wraps; nothing much has come of the major educational experiments, and among the educational fraternity it is rumored that the preschool has not helped; the planned housing construction did not make people happy, nor did equality of taxes, and the incidence of recidivism among criminals has not changed despite tremendous expenditures and experiments. It seems there is not much to be done about the "popular homestead" Sweden, especially as it turns out to be very expensive.

For more than 95 percent of all main wage earners in Sweden any rise in income has become a matter of relative indifference. The income level of the wife makes the real difference, whether in terms of taxes or wage policy. There is no Scandinavian prosperity without the working wife. Even the middle strata are severely affected by the high tax progression. How could it be otherwise: Nowhere on earth are there enough rich people to finance a real welfare state.

Disenchantment with the promises of reforming society, skepticism toward left prescriptions--in this meaning there is definitely a Scandinavian trend toward conservatism. As it happens it is reflected only moderately in electoral behavior. That trend benefited the conservatives in Finland last year. Norwegian elections took place simultaneously with the elections in Sweden. There the Social Democrats lost 6.5 percent, the Conservatives gained 7.2 percent. Compared to that the Swedish result is in fact an exception, because the Social Democrats here were able to gain 0.9 percent of votes.

Admittedly, the government has not done much since the departure of the largest bourgeois party; the replacement of the Social Democrats signified a halt to rather than a change in the course of affairs. The local beneficiaries were various splinter groups. The major parties are not particularly well suited to grasping and translating this mood of the voters. The Moderates came closest, but even they are preoccupied with symbolic politics.

Teenager Elections

In Sweden also the young serve as weather vanes. If we scrutinize their political shifts, the wind blows in various directions. Continuing the great start-up since 1968 academic youth remains "left." The communists scored

successes only in the university cities--and there they did very well indeed. The mood is totally different among teenagers, especially the younger ones.

As part of the educational experimentation Sweden has an institution called parallel elections. A few days before the elections proper, elections are held in the schools: In proper polling places with proper ballots. At these teenage elections in Stockholm the Social Democrats got 19.6 percent of the votes cast, the Conservatives 35.5 percent. Similar results were recorded in Goeteborg.

That also is primarily a mood, not yet political data. As long as professional politics remain a matter of symbolism, aloof from real issues, they will continue to rumble along without any dramatic shifts. In the meantime the symbolic cloud of politics is gradually moving right; in view of the lesser competence of the bourgeois parties rather more slowly here than in Finland and Norway.

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CSO: 3103

LEFTIST PARTIES, IDEOLOGIES SCRUTINIZED

Zurich DIE WELTWOCHEN in German 22 Aug 79 pp 4,5

[Report on interview with author Urs Haldimann by WELTWOCHEN interviewer Ulrich Kaegi: "Full Speed Ahead to Paradise."]

[Text] What can be expected from the left? At just the right time before the federal elections, Urs Haldimann, himself a young leftist, presents in the form of talks with exponents of the most important groupings a review of skirmishes and wooing among the various leftist movements in Switzerland: "Sozialismus in der Schweiz?" [Socialism in Switzerland?] (Lenos Publishers, Basel, 213 pages, Fr. 17.-) A talk with the author and quotations from his book convey a general picture of the involved happenings on this stage.

A surprisingly tough settlement by SPS president Helmut Hubacher with POCH [Swiss Progressive Organization], apparently deemed by him dangerous competition for his left, culminates (in "SP Information" of 16 August 1979) in the sentence: "How POCH unfortunately lost the opportunity of becoming an independent leftist party. It did not get beyond the programmed witches' hour. Instead, the everyday election work day has begun.

WELTWOCHEN: In the talks you had with exponents of the various leftist parties and groups, the alternative to the existing society, in spite of everything, does not become really clear. What does it consist of?

Urs Haldimann: I do believe that the book conveys the impression that the left is only at the beginning of its strategy discussion. Up till now, it was carried out within the individual organizations. What is new is that the debate about the Swiss road to socialism has now started among various organizations. And an extended discourse is taking place also between the forces of the traditional workers' movement and the New Left.

WELTWOCHEN: Where and how?

Urs Haldimann: Mostly still informally on a personal basis. For the past year, an institutionalized dialog has been carried on between the PdA, POCH and PSA. Between the SP and the PdA also, discussions are taking place in West Switzerland and in Basel.

WELTWOCHER: Whereby you tacitly admit that no alternative has been found as yet?

Urs Haldimann: The left presents of course progressive alternatives on many practical issues, but a concrete program in the sense of a government program that would represent a step towards overcoming capitalism does indeed not exist in the left as a whole nor in the individual organizations.

WELTWOCHER: With the exception of the Peking-oriented SKO (Swiss Communist Organization), none of these organizations points any longer to the socialism-model that is found in Eastern Europe, "actually existing socialism." Why?

Urs Haldimann: Already the concept "actually existing socialism" is a construction...

WELTWOCHER: ... which was created by the East European CP ideologists!

Urs Haldimann: ... but yet a construction that puts one on the wrong track. Socialism is a stage of a long historic development. I do not believe that all the characteristics that constitute a socialist society can be found in the existing socialist countries. The concept "actual socialism" conveys the impression of something finished, completed, and it conceals the large problems which are yet to be solved.

WELTWOCHER: But you accept the characterization as "existing socialist countries?"

Urs Haldimann: We are dealing here with countries where significant elements of socialist society have been realized. Private ownership of the means of production, for instance, has been overcome. But other elements which are also important are still awaiting realization. Nowhere can we talk about genuine socialization of the means of production or comprehensive self-determination of all working people.

WELTWOCHER: Which you consider possible?

Urs Haldimann: In my opinion, yes.

WELTWOCHER: Has the loss of an actually existing socialism-model induced the left to search for a new guideline for Switzerland?

Urs Haldimann: We must distinguish here between the social democratic and the communist movement. In the SP, the socialist end-goal was for a long

time entirely in the background; major emphasis was placed on the daily struggle for a "more just" and "more social" capitalism, on the improvement of the material condition of wage earners. Little thought was given to the possibility of overcoming capitalism. There, a change is now taking place because the capitalist order as a whole has gotten into a crisis. In the social democratic movement also, it is realized today that many problems cannot be solved under capitalist conditions. That is why there also the question of a road to socialism and of its nature is turning up anew. In the communist movement, the main tendency is an advance from abstract explanations to the perfection of realistic alternatives to bourgeois politics.

WELTWOCHÉ. Where do the communist movements with all their bitter experiences with their socialism-model still get the confidence that socialism would bring about the solution to our social problems?

Urs Haldimann: In spite of all disappointments, communists and socialists have every reason to be confident. The construction of socialist societies--together with the national liberation movements in the Third World--amounts to a distinct breakthrough of social progress. This we are feeling in Switzerland also. As time goes on, capitalism is less and less capable of solving fundamental social problems. From this emanates the need for a world without today's exploitation, without latent danger of war, for alternatives to offer mankind greater social security and greater individual and collective freedom. We must furthermore take into consideration that until now all attempts to construct socialist societies have taken place under conditions fundamentally different from ours. Therefore those positive as well as negative experiences can only be transferred conditionally to our conditions. In Switzerland especially, with its extensive democratic rights and efficient production apparatus, favorable prerequisites for a development in the direction of socialism prevail, for a socialism in the sense of a democratic rejuvenation of society.

WELTWOCHÉ: What has the left inherited from the 68-movement that is fundamentally new?

Urs Haldimann: The traditional social-democratic-dominated workers' movement gave priority to the fight for a socially more just society. The 68-movement emphasized the struggle for a freer society, for democratization of all areas of life. It no longer aspired to a larger slice of the cake but to a new cake.

WELTWOCHÉ: In the meantime, the 68-movement congealed into the three classical leftwing-streams: the reform socialists (SP), the communists (PdA, POCH) and the Trotskyites (RMI). What is new about that?

Urs Haldimann: The 68-movement also created new, independent organization forms such as for example the new women's movement. Another current, fertilized by the 68-movement, is the environment- and the antinuclear-energy movement and the entire alternative-scenario. However, a large part of the

68-people found the way into the existing political organizations or created new ones. Their influence speeded up the renovation and in part the reorientation.

WELTWOCHE: Does the emphasis on self-government in the various programs also belong to these impulses?

Urs Haldimann: Certainly, it is a reaction to the bureaucratization in East Europe, on the other hand also to our society where power and decision making authority are incredibly strongly centralized.

WELTWOCHE: In light of the coming election, two tactical concepts can be observed within the leftwing movements: the PdA would like to take certain decisive steps together with the SP while POCH wants to form a bloc together with the PdA and PSA to put pressure on the SP from the outside. Where does this controversy stand?

Urs Haldimann: The PdA starts with the assumption that social progress in Switzerland cannot be brought about without, and even less against, the SP and the labor unions. The PdA is of the opinion that on the road to socialism, the SP has an extraordinarily important contribution to make. That is why in spite of disagreements it seeks for coepration in the practical tasks. Because the PdA is convinced that under the influence of world-development and of increasing contradictions in Switzerland, the SP can move only towards the left. In the POCH the opinion prevails, rather, that the SP is still standing with both feet in the capitalist and imperialist camp. That is why the POCH intends to erect a pole of "nonsocial-partnership-forces" to the left of the SP. In practice, this is leading to well-known confrontation and unmasking policies vis-a-vis the SP.

9011

CSO: 3103

BERN GOVERNMENT ISSUES JURA DECLARATION

Zurich NEUE ZUERCHER ZEITUNG in German 5 Sep 79 p 17

[Article by tgb: "Jura Declaration of the Bern Government"]

[Text] Bern, 3 September. Monday afternoon, in front of the Great Council, the government council of Bern Canton, in a long explanation aimed at replying to various advances on Jura policy, addressed itself to the "ideologically un-Swiss aggression" of the rassemblement jurassien delineated again the borders of the relations to the Jura Canton, and directed urgent requests to the federal authorities to assure the cantons' border guaranties by means of newly-to-be-decreed penal regulations. The Bern government, to be sure, declines the abrogation of the provisional agreements--a step demanded by several members of the Great Council. But it does not declare itself ready at this time to reach a decision on definitive agreements concerning property devision or on additional provisional compacts.

Violation of Constitutional Peace Obligation

In a detailed presentation, reinforced by numerous examples, the government council of Bern Canton deals with the ideological aggression to which a part of the Bern state territory is exposed. This aggression is allegedly carried out daily with complete logistic basis in the respective neighbor-canton. Without the support from the territory of Jura canton, the separatist, movement in the Bern-Jura would drop within a short time into insignificance. By refusing to recognize the plebiscite decision, the rassemblement surely creates the basis for this agitation, but at the same time it thereby calls in question the juridical foundation for the canton-founding in North Jura.

The government council of Bern Canton reminds furthermore that without the immense effort of the Bern authorities the prerequisites for the new canton's sovereignty would have been lacking. More than half of the 123 provisional agreements expire at the end of the year. Jura's administration needs Bern's aid, particularly for services for which special technical effort is required. The transfer of documents and open archives is so-to-speak completed. The rise in "temperature," ascertainable also in the "conference tripartite" and the fact that Jura's five government council members still belong to the

Rassemblement, motivated the Bern government to declare that it is not ready at this time to decide on definitive agreements concerning property division. Possible additional requests for provisional agreements would also fall under this refusal-declaration.

The federal authorities are called upon to supplement federal legislation--the regular way or by means of emergency measures. Specifically, the Bern government wants penal regulations adopted which would assure the implementation of Article 5 of the federal constitution regarding the territorial guaranty of cantons. It declares that so far the Jura Canton has been violating the constitutional peace obligation.

The traditional means of the constitutional state are too weak to defend effectively the freedom of an entire region which feels subjected to the ideological threat of a movement. The territorial guaranty laid down in Article 5 of the federal constitution rests exclusively on the honor and honesty of the members of the federation. The lawmaker has not attached any penalties to this article which could, for instance, cope adequately with the psychological guerilla war of the Jura rassemblement.

Berner and the French-Speaking Swiss

The Bern government further declares that the language theories of the rassemblement are shaking the very foundations of the federalist body politic. It therefore calls on West Switzerland in particular to give careful consideration to ethno-policies and their intentions to chop up the cantons. The Bern government, finally, recalls the spirit of the federal constitution which grants each group of people the freedom to be itself. The 70,000 French-speaking inhabitants in the Bern canton had developed their own mentality, life-style, and social structure, on the basis of century-old traditions. The general public has accepted that the Bern romands [French speakers] feel themselves at the same time as Berners and as romands.

Moreover, the Jura problem runs the risk of becoming a Jura Canton problem. What matters today is no longer the problem of canton-membership. Rather, in all the altercations, the disdain for the identity of the other, the contempt for his personal freedom and dignity stand in the foreground. And this disdain and contempt clearly have their origin in the area of the new canton.

Agreement of the Factions

The approximately hour-long statement by government councilman Dr Werner Martignoni, president of the Jura delegation, met with the unanimous agreement of faction speakers. One's reaction in this case must be tough, clever and legally irreproachable. The Bern Jura and its separatist population was offered understanding for its impatience, but with the reminder that force is not a political means. Only two fighting votes--the debate is to be continued on Tuesday--interfered with the rational, calm tone.

Genevieve Aubry put the blame for the present situation on those Bern politicians who a year ago solicited throughout all of Switzerland for the creation of the canton, without demanding guarantees from North Jura. According to the opinion of the three separatist members of the Great Council, it is after all not the integrity of Bern Canton, but that of Jura that is at stake.

9011

CSO: 3103

APOISTS' STRUGGLE AGAINST LANDOWNERS EXAMINED

Istanbul AYDINLIK in Turkish 2 Oct 79 p 2

[Article by Bayram Cicek]

[Text] Ever since the Apoists first appeared in the Southeast, they have insistently defended two claims. One of these is that they are anti-colonialist, the other is that they are anti-feudalist.

A number of political groups have been taken in by these words of theirs and believed that the Apoists are really opposed to the landowners and the Turkish ruling classes, which they term colonialist. That the Apoists are a political movement with an adventurist and unsound operational orientation has been generally accepted and criticized by everyone. However, it has not been accepted that they serve the interests of the landowners and the Counter-Guerrilla forces — the most reactionary and most chauvinistic elements of the Turkish ruling classes — and that they are in fact directed by these groups. Even if recent events have served to partially unmask the Apoists and to prevent their circulating as before in the pose of revolutionaries, they still present the impression of misguided revolutionaries in the region. From this standpoint, it greatly behooves us to explain the true nature of the struggle waged by the Apoists to the people, to other revolutionaries, and to patriotic individuals.

The latest incidents at Siverek, in particular, have made it obvious just what an important and urgent duty this matter is. Under the guise of struggle against the landowners, the Apoists soaked the Siverek district with blood and succeeded in drawing a number of young people and intellectuals under their influence. In fact, a number of people who espouse revolutionary ideas, saying that the Apoists are struggling against tyrannical landowners such as Celal Bucak, have gone so far as to say that the campaign waged against the Apoists by the TIKP [Turkish Workers and Peasants Party] and AYDINLIK newspaper has been excessive. We are not going to make a general criticism of the Apoists in this article. In this article, we will merely attempt to investigate just what the Apoists have done under the guise of struggle against the landowners, and to reveal the pro-landowner character of this group.

Apoists Join Some Landowners and Tribal Leaders Against Others

One aspect of the Apoist gang which has caused the greatest confusion is their claim to be engaged in a struggle against the Kurdish landowners and tribal chieftains who join with or are allied with the Turkish ruling classes, which the Apoists say are colonialist. Presenting themselves to public opinion as quite definitely anti-feudalist, the Apoists point to their attacks on M. Celal Bucak — JP Parliamentarian from Siverek and one of the area's largest landowners — and his family as an example of this struggle of theirs.

Certain small groups, unable to see reality due to this smokescreen created by the Apoists, have even rushed to the Apoists' aid and supported them in this "struggle against the landowners". "Ala Rızgari", "Kawva Red", and the "Yekbun" group in Siverek have taken this stance.

Let us look at the real facts, for what is real is revolutionary. Are the Apoists truly fighting against the landowners? Whom is the struggle being prosecuted really serving? Objective answers to these questions will show the true character of the Apoists. In this respect, we are not going to investigate the matter in a form limited only to recent events, but rather in conjunction with the past. Therefore, we are first going to study the Hilvan incidents, which first brought the name of the Apoist gang to broad public attention; afterwards, we will look at the continuation of this: the Siverek incidents.

What Did Apoists Do at Hilvan?

Until the 1977 general elections, everything at Hilvan was in the hands of the Paydas family, who were RPP supporters. Celal Paydas, one of the more prominent of the family, was an RPP Parliament Member from Urfa. The municipality of Hilvan and the Hilvan RPP district administration were in the hands of his family. The Paydas family were among the largest and most tyrannical landowners in the district of Hilvan. There was nothing which the villagers of Hilvan did not suffer from this family. Normally, an individual or political movement desirous of fighting against the land ownership system in Hilvan would be obliged to fight in opposition to the Paydas group. But, take a look: the Apoists, instead of fighting against the Paydas group, joined forces with them and entered into a conflict with the Suleyman group, competitors of the Paydas group: a tribe considered relatively poor and possessing little land.

The Suleyman tribe has a fairly large number of people. As opposed to this, however, their land ownings are small and insufficient. When their competitors, the Paydas group, joined the ranks of the RPP, the Suleymans joined the JP. In fact, some members of this tribe even joined the NAP in Urfa. In the East and Southeast, this is a rule. Competing tribal groups are found in competing parties. Sometimes a tribe aligned with the JP will move from it into the RPP, or a tribe may switch from the RPP to the JP. These changes of party affiliation have nothing to do with being progressive or reactionary. It is basically local factors which play the biggest role in these switches.

As a result of the people's having had their fill of the Paydas group and the Suleymans' having strongly opposed them, the Suleyman group's candidate became mayor during the 1977 general elections. All that happened occurred after this. The Counter-Guerrilla formation stepped into the affair and, benefitting by the rivalry between the two tribes, promoted the Apoists, flooding Hilvan in a sea of blood.

The Counter-Guerrilla formation, utilizing the NAP adherents within the Suleyman tribe, killed a young man named Halil Cavgun, well known in Hilvan and the surrounding area. Upon the killing of Halil Cavgun, the Apoists took this as an opportunity to attack the Suleyman group. In these attacks, they received aid in the form of both money and weapons from the Paydas group, the Suleyman group's rivals. The Paydas group opened their villages to the Apoists. They sheltered the Apoists in their own homes in Hilvan. During the same period, dozens of Apoists from Tunceli, Antep, Maras, and Batman poured into Hilvan.

The Paydas group did not only give aid to the Apoists by supplying them with money and weapons and providing them with shelter. At the same time, as Demirel said, they took the Apoists under their "political protection". According to a rumor, when the Hilvan incidents first began, Musa Eran, Governor of Urfa at the time, was taking control over the situation, having sent in a regiment of commandoes. But upon Celal Paydas's threat of resignation on the following day and the intervention of certain mysterious forces, a transfer of the Governor away from Urfa came through one day later. As soon as the Governor left Urfa, the commando regiment left Hilvan as well. Thereupon, incidents flared up again and continued.

In view of the Paydas group's money and weapons, the aid of mysterious forces within the state, and finally its "political protection", as opposed to the poverty of the Suleyman group, the Suleymans were forced to accept defeat. The mayor, of the Suleyman tribe, quit his post with a "self-criticism" made over the municipality's loudspeaker system. The Apoists' candidate won the mayoral elections carried out afterwards. Thus the Apoists became masters of Hilvan.

Siverek Incidents

As far as actual Siverek residents are concerned, the Apoists have no power of any great degree in Siverek. Thus they were able to bring about the incidents at Siverek only by means of men brought in from outside, utilizing inter-tribal disputes and blood feuds.

Just as at Hilvan, the Apoists conducted their struggle against certain landowners and tribes by being dependent on others. As a community, Siverek possessed a social structure which was quite suitable for this. Siverek is a district in which feudal disintegration and feudal anarchy prevail. Not a day passes but that a report relating to blood feuds comes out of Siverek.

The Apoists worked to make use of this feudal anarchy and disorder in Siverek. Under the guise of "revolutionaries", they took part in the inter-tribal blood feuds and the large landowners' struggles for dominance. Thus the landowners

and tribal leaders who supported the Apoists were "revolutionaries", while those who opposed them were "counter-revolutionaries". Even though this situation might appear to harm some landowners, it actually serves to extend the life of the existing system of large landowners. The villagers, rather than joining together as a unified force against the landowners, become the fighting force of the landowners and tribal leaders. This situation in itself shows just how much the peasants' struggle is set back.

In order to prove what we have set forth here, let us reveal with a couple of examples just whom the Apoists are backed by and what sort of disputes they utilize; for instance, Ahmet Kirvar, the eldest son of Kirvar tribal chieftain Halil Kirvar, is one of the Apoists' leaders in Siverek. Backed by the Apoists, Ahmet Kirvar is endeavoring to continue the old blood feud with the Bucak family. Furthermore, rather interesting charges are made concerning Ahmet Kirvar:

It is said that, while Ahmet Kirvar was incarcerated in the Urfa Prison on suspicion of having killed four people, he entered into contact with the Apoists and was subsequently discharged, thanks to the support of the Apoists' mysterious forces within the government. Similarly, it was from the same prison that Kemal Pir was abducted.

The second example is Bisar Tuysuz, of the Kosan tribe, the stepbrother of attorney Mehmet Tuysuz. He owns a number of villages in Hilvan and Siverek, and he shelters the Apoists in his villages. He is considering suppressing the villagers who initiate any struggle against him by utilizing the support of the Apoists.

The third example is Mehmet Milli, the son of Haci Ezo, one of Siverek's notorious and tyrannical landowners. Milli is known as "Piling the Bandit". The last example is Erkan Uzun, of the Uzun tribe, one of the Apoists' leaders. Likewise, Pasa Uzun, a leader of the Uzuns' "Yekbun" group and a proponent of active support for the Apoists. One major reason for the Uzun tribe's support of the Apoists is their desire to take revenge for Ferit Uzun, whom the Bucak family had earlier caused to be killed...

Now: can anyone who looks at the situation described above claim that these people are fighting for the interests of the peasants? If only they would: but they are actually fighting to preserve the lands of their patrons, the landowners, against the other landowners who threaten them. Actually, according to what has been observed so far, the peasants as an independent force have no place in their struggle, nor do their demands for land and freedom. In any case, to expect this from the Apoists is utterly futile.

Can Landowner System Be Destroyed By Killing Individual Landowners?

The Apoists have adopted individual terrorism as their basic form of struggle. This form of struggle, even if all their other ideas are correct, leaves the Apoists' struggle open to the provocations of the ruling classes. In fact, from time to time they go so far as to carry out actions required by the ruling

classes. Struggles based on individual terrorism are not only foredoomed to failure, but dissipate the mass struggle as well. If we look at the provinces and districts where the Apoists are active, we see the situation all too clearly. In areas where the Apoists are influential or dominant, mass struggle is either non-existent or on the verge of being extinguished. In areas where the level of mass struggle is high, adventurists cannot gain any hold. Mass struggle is the antidote to adventurism. It is for this reason that the ruling classes, when mass struggle increases, foster and condone adventurism in order to dissipate and defeat the struggle. From one standpoint, this is the Apoists' function in the Southeast: to dissipate the popular struggle...

The Apoists initiated the events in Siverek by forming a conspiracy against JP Parliamentarian M. Celal Bucak. In this manner, they thought to gather the broad masses of the area around them in opposition to M. Celal Bucak, who had aroused a deserved hatred for himself in the area. There is no doubt but that M. Celal Bucak was a feudal oppressor. But the oppression by the Bucak family was of a merely local nature. The oppression of the Apoists, however, is not even a regional matter, but rather a problem which affects all of Turkey. Those who support the Apoists against the Bucak family thus end up supporting the forces of darkness throughout Turkey.

The struggle against the Apoists is a vital struggle for freedom in today's Turkey. Not to take sides in this struggle is the greatest concession possible to the aggressor. No matter what their political views, all political movements and individuals who support freedom must unite and struggle against the Apoists. The salvation of our nation lies not in kneeling before aggressors and submitting to them, but rather in actively opposing them. Everyone must accept this political truth. The Apoists are of a nature which is more reactionary and more inimical to the people than the Bucaks. For this reason, all revolutionaries throughout the region must turn the points of their lances toward the Apoist murderers and, joining with all possible allies in order to destroy the Apoists, must endeavor to bring them down. Despite the great confusion which the Apoists have created, they are doomed to defeat, for they are opposed to the people and estranged from the people. All reactionaries share a common fate: to be thrown into the dustbin of history. This evil fate awaits the Apoists as well.

9173
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'DUNYA' LOOKS AT NATION'S HOUSING CRISIS

Istanbul DUNYA in Turkish 6,7 Sep 79

[6 Sep 79, p 2]

[Excerpt] Introduction

Since primitive times, man has sought permanent shelter for his physical protection. First he lived in caves, then he built huts, tents and one-, two-, three- and multistoried homes for himself. Housing began to be a problem, however, in the rapidly increasing world population and in developing societies. The move toward mechanization of agriculture in our country stepped up migration from the village to the city. Thus the housing problem gained a national dimension in proportion to the rapidly developing urban population, and new structural forms emerged in the cities: squatters' houses.

Meeting the human need for shelter and creating a livable environment has become today one of Turkey's most important problems. Industrialization brings with it rapid urbanization, and rapid urbanization -- the recent human flood from rural areas to urban areas -- is a cause of unemployment as well as the housing problem.

The introduction of modern technology into agriculture in our country after World War II caused the migration of hundreds of thousands of people to the cities. According to the experts, while almost 50 percent of the Turkish population lives in the cities today, it is estimated that 75 percent of the population will live in the cities by 1995.

While the total housing need of the cities this year is 277,641, it is expected that 319,460 more will be added to this in 1980. Housing production in 1977 was 216,128; the housing deficit was 57,072. As the urban population grows day by day, so too the housing deficit grows.

Although financing heads the reasons for the growth of the problem to this extent, changing government policies and every government's considering the housing sector as less important than other sectors figure in also. There are two views among the various economists working in the public sector. The first view is that Turkey is an industrializing nation, that it needs many large investments and cannot give priority to the housing sector. The second view is that production would be higher from people living in comfortable housing, that industries which manufacture housing materials should be developed, that large investments could be made in these fields and that many people could be employed. They say, moreover, that if housing and improvement of the accompanying environmental conditions are ignored, these problems will reach much greater dimensions in the future.

While the governments, related professional chambers and mass organizations bring many different proposals for the solution of the housing problem, squatters' houses are increasing day by day in the large cities today and middle-income citizens are having difficulty in finding a place to live.

The housing problem first began with the industrial revolution at the end of the 17th century in England, and spread to France, Germany and gradually all of Europe in the 18th century. In the socialist countries, it became a big problem only as the 20th century began. The gradual development of these nations into advanced industrial nations largely accounts for the elimination of the housing problem.

Housing first became a problem in Turkey with Ankara's designation by law as the capital city on 13 October 1923. When Ankara became the capital, many people of different classes came to the city. A planned effort was made for the first time to resolve the housing problems of these people. A competition was held for a development plan for Ankara, and the plan by a German professor named Jansen was considered suitable for Ankara's future. By 1932 the plan had been approved and turned over to the implementation project. Much attention was given in the plan to workers' homes and lodgings, but the population of the city was growing every day and land speculation gradually increased.

The world economic crisis between 1926 and 1930 had its effects in Turkey also. Foreign architects, engineers and technicians who were left jobless because of the world crisis came to Turkey. And, in this context, many new techniques began to be practiced. The lack of a building materials industry in Turkey, however, necessitated importation of many materials.

In 1933, certain responsibilities in housing were given to the municipalities and the Municipalities Bank was established. The measures taken, however, were quite inadequate. Ankara gradually became overcrowded. Construction of the first squatters' houses began in these years and gradually increased.

The beginning of World War II brought a slowdown in housing construction. Prices suddenly shot up. Rents were frozen during these years also.

The scene in 1945 after the war was a further increase in squatters' houses in Ankara. Some lands on the near outskirts of Ankara were expropriated in 1948 against the rapid growth of squatters' constructions and were given to the private sector, and new neighborhoods were established.

Coming into the 1950's, the use of machinery in rural areas had greatly increased. The replacement of men by machines led to the migration of thousands from the rural sector to the cities. Rapid urbanization in these years put the housing problem on a national scale.

While the great jump in inflation in 1955 caused massive real estate speculation, it led to the cooperative movement among the middle classes.

While the migration from country to city increased gradually from the founding of the Republic to the 1960's, more than 1.2 million persons immigrated to Turkey from foreign countries.

Along with increased agricultural mechanization in Turkey, a reduction was seen in the rural population from the 1950's on and an increase in the urban sector. In 1950, the rural population was 17.75 million while the urban population was 3.872 million; in 1965, the rural population was 22.008 million and the urban population, 9.383 million. While the rural population in 1970 was 22.862 million and the urban population 12.805 million, in 1975 the rural population was 23.478 million and the urban population had reached 16.869 million. If we look at the population distribution in percentages, in 1950 the rural sector was 81.6 percent of the population; in 1960, 73.6 percent; in 1965, 70.1 percent; in 1970, 64.1 percent and 1975, 58.2 percent.

As seen in Table 1, the national population has shown a steady increase, with growth in both the rural and urban populations. However, the decline in percentage of the rural sector despite its numerical growth is remarkable. The urban population, however, has grown percentagewise. That is, between 1950 and 1975, the rural population declined 23.4 percent in the total population and the urban population grew at the same rate.

Rural and Urban Populations in Turkey, 1950-1975
(millions)

Year	Total Population	Rural Population	%	Urban Population	%
1950	20.947	17.075	81.6	3.872	18.4
1955	24.064	18.639	77.6	5.425	22.4
1960	27.755	20.447	73.6	7.308	26.3
1965	31.391	22.008	70.1	9.383	31.0
1970	35.666	22.862	64.1	12.805	35.9
1975	40.347	23.478	58.2	16.869	41.8

[7 Sep 79, p 2]

[Text] The solution of the housing problem still depends, first of all, on the increase of investments and the proper use of investments made. Increased investments, though, may occur also through improved financing. The housing sector does not get priority in the use of the already scarce financing resources in our country because it does not contribute directly to the progress of our industry.

Construction Sector Financing, 1973-1977
(millions of liras)

Year	State Investments	SSK Housing Credits	Real Estate Credit Bank Funds	Expatriate Worker Savings	Individual Savings
1973	618	3,009	720	2,306	3,012
1974	730	4,058	860	2,780	2,984
1975	1,140	5,211	1,060	2,558	7,850
1976	1,507	6,669	1,300	2,432	11,653
1977	1,923	7,300	1,500	2,644	16,683

Housing sector financing is met

- a. by state budgets as state investments,
- b. by Social Security Organization [SSK] housing credits,
- c. by Real Estate Credit Bank housing credits,
- d. by the savings of workers abroad,
- e. by housing credits from private institutions, and
- f. by individuals' own savings and funds. According to 1977 figures, while financing flowing into the housing sector from individuals' own funds and savings led with 16.683 billion liras, 7.3 billion liras came from SSK housing credits, 2.644 billion liras came from the savings of workers abroad and 1.923 billion liras came from the state budget.

Total Housing Investment Goals in Fourth Plan
(Total Housing Investments)
(Billions of liras)

A. Private investments	214.900
B. Public investments	15.000
1. Public assistance housing	10.250
2. Village housing	2.500
3. Other housing investments	2.250
Total	244.900

The housing production goal in the Fourth Five-Year Development Plan was 1.2 million, while 978,361 housing units were built under permit. The housing gap was closed with squatters' houses. Also, of the housing produced during the fourth plan period, 97 percent was reportedly produced by the private sector and 3 percent by the public sector.

The housing production gap of 493,871 over the 3 five-year planned periods has been filled by squatters' houses.

Housing investment goals in the fourth plan were set at 214.9 billion liras for the private sector and 10.25 billion liras for the public sector.

Total Urban Housing Requirement

(1979-1983)

Year	New Housing Requirement	Renovation Requirement	Total Requirement
1979	192,641	85,000	277,641
1980	230,460	89,000	319,460
1981	250,143	93,000	343,143
1982	269,544	98,000	367,544
1983	297,677	99,000	397,277
Total	1,240,465	464,600	1,705,065

The total urban housing requirement in 1979 is 277,641, while the anticipated requirement by the end of 1983 is 1.705 million.

Housing Investment and Production in Turkey and Other Nations

Nation	Housing Investment % of GNP	Housing Investment % of total Investments	Annual Unit Production per 1,000 Population
Britain	2.9	16.6	5.9
France	7.0	27.6	12.3
Belgium	5.4	25.4	5.4
W. Germany	5.2	21.5	10.7
Sweden	5.2	23.1	12.8
Norway	4.8	19.0	11.1
Yugoslavia	4.7	15.9	6.4
Italy	7.0	33.1	4.8
Greece	8.3	28.0	8.0
Portugal	4.7	25.1	4.6
Romania	4.0	--	6.8
USSR	--	--	9.0
Turkey	3.3	17.4	2.5

Housing investments account for 17.4 percent of total investments in our country, while units produced per 1,000 population is 2.5. In Britain, the share of housing investments in total investments is 16.6 and units produced per 1,000 population is 5.9. In Norway, these rates are 19 percent and 11.1 and in Greece, 28 percent [and 8 percent].

As will be seen in the table, an increase in housing production is possible without having to set aside a very large share of overall investments for housing investments. However, the rational use of investments and reducing costs of construction materials to the minimum is necessary.

To look at the housing problem as a matter of fulfilling the need for shelter alone is something of a wrong approach. Even if investment goals are met and housing is produced at the desired level, it is somewhat difficult to achieve the intended results unless the housing problem is seen as a problem of rapid urbanization. Thus for every 50,000 housing units produced, there is a need for 500 primary schools and 25 high schools just from the standpoint of education. While resolving the problem of shelter, it is necessary to pursue a policy to improve the social environment and to answer social needs also, as this is one of the biggest problems for countries whose goal is development.

The cost of materials and land speculation head the list of factors affecting the cost of housing in our country.

Without showing any productive activity since the time of the founding of the Republic, land purchase ought to represent 20 percent of the cost to bring a good profit, while this rate today is between 40 percent and 50 percent.

The major reason for the excessive rise in the cost of materials, especially in recent years, is that a large portion of the raw materials for construction is purchased from foreign countries. This is why the two-year halt in foreign exchange transfers caused a rise in materials prices and a black market in the construction sector.

Bringing the major items of construction materials from foreign countries creates nonconformity among the materials and promotes physical deterioration. The raw materials used in them depend on the countries' resources and are produced according to the standards of that country. For this reason, the materials used in our country are not complementary. And this causes more rapid physical depreciation of the structures as well as waste of resources. Moreover, housing built with these undependable materials which run more to the luxurious instead of the more economical housing for middle- and low-income groups which a developing country like Turkey needs lowers productivity of the housing sector, and less housing is produced. Also, inflation is bringing high rises in labor costs. Increases in labor costs, however, are not as high as those in land and materials.

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